

PRELIMINARY OFFICIAL STATEMENT DATED MAY 16, 2024

New Issue—Book-Entry Only

Rating: Moody's "Baa2"
(See "RATING" herein)

Maynard Nexsen PC, Bond Counsel, is of the opinion that, under existing law and subject to the assumptions, exceptions and qualifications set forth in "TAX MATTERS", that (a) interest on the Series 2024C Bonds (i) is excludable from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended (the "Federal Tax Code"), (ii) is not an item of tax preference for purposes of the federal alternative minimum tax; provided, as a result of amendments to the Federal Tax Code enacted pursuant to the Inflation Reduction Act of 2022, interest on the Series 2024C Bonds may be taken into account for purposes of the alternative minimum tax imposed by Section 55(b)(2) of the Federal Tax Code, and (iii) is exempt from State of Alabama income taxation, and (b) interest on the Series 2024D Bonds (i) is not excludable from gross income for purposes of federal income taxation and (ii) is exempt from State of Alabama income taxation. See "TAX MATTERS" herein.

THE EDUCATIONAL BUILDING AUTHORITY OF THE CITY OF HOMECOOD (ALABAMA)

\$122,195,000* Revenue Bonds (CHF – Horizons II, L.L.C. Student Housing & Parking Project at Samford University) Tax-Exempt Series 2024-C	\$66,605,000* Revenue Bonds (CHF – Horizons II, L.L.C. Student Housing & Parking Project at Samford University) Taxable Series 2024-D
--	--

Maturity Dates, Interest Rates, Principal Amounts, Yields and CUSIPS Shown on the Inside Cover Pages

The Educational Building Authority of the City of Homewood (the "Authority") is issuing (a) \$122,195,000* aggregate principal amount of its Revenue Bonds (CHF – Horizons II, L.L.C. Student Housing & Parking Project at Samford University), Tax-Exempt Series 2024-C (the "Series 2024C Bonds"); and (b) \$66,605,000* aggregate principal amount of its Revenue Bonds (CHF – Horizons II, L.L.C. Student Housing & Parking Project at Samford University), Taxable Series 2024-D (the "Series 2024D Bonds" and, together with the Series 2024C Bonds, the "Series 2024 Bonds"), each pursuant to a Trust Indenture, dated as of June 1, 2024 (the "Original Indenture"), by and between the Authority and Regions Bank, as trustee (the "Trustee"), as supplemented by a Series 2024-C Supplemental Trust Indenture, dated as of June 1, 2024 (the "Series 2024C Supplemental Indenture"), and as further supplemented by a Series 2024-D Supplemental Trust Indenture, dated as of June 1, 2024 (the "Series 2024D Supplemental Indenture" and, collectively with the Series 2024C Supplemental Indenture and Original Indenture, the "Indenture").

The Series 2024 Bonds are being issued for the purposes of providing funds to finance: (a) the costs of construction of Phase IA of the Samford Horizons master plan on the core campus of Samford University ("Samford" or the "University"), consisting of (i) an approximately 515-bed student housing facility for freshman students (the "Freshman Housing Facility"), (ii) an approximately 140-bed student housing facility for upper-level students and Greek organizations (the "Greek Housing Facility" and together with the Freshman Housing Facility, the "Student Housing Facilities"), and (iii) an approximately 550-space parking deck expansion (the "Parking Improvements" and, collectively with the Student Housing Facilities, the "Facilities" or each individually, a "Facility"), and related amenities and facilities, along with associated site development and Offsite Improvements (as defined herein) for the benefit of the students of the University (all such Facilities are referred to herein collectively as the "Series 2024 Project" or the "Project"); (b) the reimbursement of certain costs related to the Samford Horizons master plan, including costs of consultants, architects and engineers; and (c) amounts required for reserves, working capital, capitalized interest, costs of issuance and other financing expenses related to the issuance of the Series 2024 Bonds. The Series 2024 Project will be located on land (the "Property") located within the campus boundaries of the University. The Property will be leased to the Authority by the University pursuant to a Ground Lease, dated the date of issuance of the Series 2024 Bonds (the "Ground Lease").

The Authority will lease the Series 2024 Project to CHF – Horizons II, L.L.C. (the "Borrower"), whose sole member is the Collegiate Housing Foundation (the "Foundation"), an organization exempt from the payment of federal income tax under Section 501(a) of the Federal Tax Code, as an organization described in Section 501(c)(3) of the Federal Tax Code, under a CHF – Horizons II, L.L.C. Project Bond Lease Agreement, dated as of June 1, 2024 (the "Lease Agreement"), by and between the Authority and the Borrower. The Borrower is a "disregarded entity" of the Foundation for federal income tax purposes.

The Series 2024 Bonds will be payable solely, except to the extent paid out of moneys attributable to proceeds of the Series 2024 Bonds and from temporary investments thereof, from a pledge by the Authority of moneys derived from the Lease Agreement, the Affiliation Agreement and from property pledged by the Borrower under the Leasehold Mortgage and the Borrower Security Agreement, all as defined and described herein. See "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2024 BONDS" herein.

The Series 2024 Bonds will be issued as fully registered bonds without coupons in denominations of \$5,000 and any multiple thereof for each maturity. The Series 2024 Bonds will bear interest from the date of issuance and delivery thereof, payable semiannually on each April 1 and October 1, commencing October 1, 2024 (each, a "Stated Interest Payment Date"). The Series 2024 Bonds will be subject to prior mandatory, optional, and extraordinary redemption as described herein. The Series 2024 Bonds will be issued in fully registered form and when issued will be initially registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Series 2024 Bonds and purchasers of the Series 2024 Bonds will not receive certificates evidencing their ownership interests therein. So long as Cede & Co. is the registered owner of the Series 2024 Bonds as nominee of DTC, references herein to the Owners of the Series 2024 Bonds shall mean Cede & Co. and shall not mean the beneficial owners of the Series 2024 Bonds. See "DTC Book-Entry System" in Appendix E.

THE SERIES 2024 BONDS ARE LIMITED OBLIGATIONS OF THE AUTHORITY PAYABLE SOLELY FROM THE TRUST ESTATE AND, EXCEPT FROM SUCH SOURCE, NONE OF THE AUTHORITY, ANY ISSUER INDEMNIFIED PERSON, THE STATE OF ALABAMA OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF OR ANY POLITICAL SUBDIVISION APPROVING THE ISSUANCE OF THE SERIES 2024 BONDS IS OBLIGATED TO PAY THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST THEREON OR ANY COSTS INCIDENTAL THERETO. THE SERIES 2024 BONDS ARE NOT GENERAL OBLIGATIONS OF THE AUTHORITY BUT ARE LIMITED OBLIGATIONS PAYABLE SOLELY FROM THE REVENUES AND RECEIPTS DERIVED FROM THE TRUST ESTATE GRANTED IN THE GRANTING CLAUSES AT THE BEGINNING OF THE INDENTURE, WHICH REVENUES AND RECEIPTS ARE HEREBY SPECIFICALLY PLEDGED TO SUCH PURPOSES IN THE MANNER AND TO THE EXTENT PROVIDED HEREIN. NEITHER THE DIRECTORS OF THE AUTHORITY NOR ANY PERSONS EXECUTING THE SERIES 2024 BONDS SHALL BE LIABLE PERSONALLY ON THE SERIES 2024 BONDS BY REASON OF THE ISSUANCE THEREOF. THE SERIES 2024 BONDS SHALL NOT BE DEEMED TO CONSTITUTE A DEBT OR A PLEDGE OF THE FAITH AND CREDIT OF THE AUTHORITY OR THE STATE OF ALABAMA OR ANY POLITICAL SUBDIVISION THEREOF. NEITHER THE STATE OF ALABAMA NOR ANY POLITICAL SUBDIVISION THEREOF SHALL BE LIABLE FOR THE SERIES 2024 BONDS OR OBLIGATED TO PAY THE PRINCIPAL, PREMIUM, IF ANY, OR THE INTEREST THEREON OR OTHER COSTS INCIDENT THERETO EXCEPT FROM THE REVENUES AND RECEIPTS PLEDGED THEREFOR, AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF ALABAMA OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR THE PREMIUM, IF ANY, OR THE INTEREST ON THE SERIES 2024 BONDS OR OTHER COSTS INCIDENT THERETO.

The Series 2024 Bonds are offered when, as, and if issued by the Authority and received by the Underwriters and are subject to prior sale and the approval of legality by Maynard Nexsen PC, Birmingham, Alabama, Bond Counsel. Certain legal matters will be passed for the Borrower and the Foundation by Hand Arendall Harrison Sale LLC, Mobile, Alabama; for the University by Dentons Sirote PC, Birmingham, Alabama; for the Development Manager by Michael Best & Friedrich LLP, Madison, Wisconsin; and for the Underwriters by Kutak Rock LLP, Denver, Colorado. Delivery of the Series 2024 Bonds to DTC in New York, New York is expected on or about June 20, 2024.*



Capital
Markets

STIFEL

Dated: May ____ 2024

* Preliminary; subject to change.

**THE EDUCATIONAL BUILDING AUTHORITY
OF THE CITY OF HOMewood (ALABAMA)**

<p>\$122,195,000* Revenue Bonds (CHF – Horizons II, L.L.C. Student Housing & Parking Project at Samford University) Tax-Exempt Series 2024-C</p>	<p>\$66,605,000* Revenue Bonds (CHF – Horizons II, L.L.C. Student Housing & Parking Project at Samford University) Taxable Series 2024-D</p>
---	---

Dated: Date of Delivery

Due: As shown below

The Series 2024 Bonds will be issuable in fully registered form without coupons in minimum denominations of \$5,000 and any multiple thereof. Interest on the Series 2024 Bonds will be payable on each April 1 and October 1, commencing October 1, 2024.

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, YIELDS AND CUSIPS*

TAX-EXEMPT SERIES 2024-C BONDS*

Maturity October 1*	Principal Amount*	Interest Rate	Price	Yield	CUSIP[†] Base: 437887
2043	\$1,425,000	%		%	
2044	6,820,000				

TAX-EXEMPT SERIES 2024-C TERM BONDS*

\$39,560,000* ____ % Due October 1, 2049* Priced at ____ to Yield ____ % CUSIP^{©†} 437887____
\$50,485,000* ____ % Due October 1, 2054* Priced at ____ to Yield ____ % CUSIP^{©†} 437887____
\$23,905,000* ____ % Due October 1, 2056* Priced at ____ to Yield ____ % CUSIP^{©†} 437887____

[Remainder of Page Intentionally Left Blank]

* Preliminary; subject to change.

^c Priced to the first optional redemption date on April 1, 2034.

[†] CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein provided by CUSIP Global Services (“CGS”), managed on behalf of The American Bankers Association by S&P Capital IQ. This information is not intended to create a database and does not serve in any way as a substitute for services provided by CGS. CUSIP numbers have been assigned by an independent company not affiliated with the Authority or the Underwriters and are included solely for the convenience of the registered and beneficial owners of the applicable Series 2024C Bonds. Neither the Authority nor the Underwriters is responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the applicable Series 2024C Bonds or as included herein. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Series 2024C Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Series 2024C Bonds.

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, YIELDS AND CUSIPS***TAXABLE SERIES 2024-D BONDS***

Maturity October 1*	Principal Amount*	Interest Rate	Price	Yield	CUSIP [†] Base: 437887
2027	\$2,320,000	%		%	
2028	2,465,000				
2029	2,615,000				
2030	2,780,000				
2031	2,955,000				
2032	3,145,000				
2033	3,345,000				
2034	3,560,000				
2035	3,790,000				
2036	4,040,000				
2037	4,305,000				
2038	4,595,000				
2039	4,900,000				

TAXABLE SERIES 2024-D TERM BONDS*

\$21,790,000* ____% Due October 1, 2043* Priced at ____ to Yield ____% CUSIP^{©†} 437887____

[Remainder of Page Intentionally Left Blank]

* Preliminary; subject to change.

[†] CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein provided by CUSIP Global Services (“CGS”), managed on behalf of The American Bankers Association by S&P Capital IQ. This information is not intended to create a database and does not serve in any way as a substitute for services provided by CGS. CUSIP numbers have been assigned by an independent company not affiliated with the Authority or the Underwriters and are included solely for the convenience of the registered and beneficial owners of the applicable Series 2024D Bonds. Neither the Authority nor the Underwriters is responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the applicable Series 2024D Bonds or as included herein. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Series 2024D Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Series 2024D Bonds.

ISSUER

The Educational Building Authority of the City of Homewood

UNIVERSITY

Samford University

UNIVERSITY COUNSEL

Dentons Sirote PC, Birmingham, Alabama

BORROWER

CHF – Horizons II, L.L.C.

BOND COUNSEL

Maynard Nexsen PC, Birmingham, Alabama

BORROWER AND FOUNDATION COUNSEL

Hand Arendall Harrison Sale LLC, Mobile, Alabama

TRUSTEE

Regions Bank

UNDERWRITERS

RBC Capital Markets, LLC and Stifel, Nicolaus & Company, Incorporated

UNDERWRITERS' COUNSEL

Kutak Rock LLP, Denver, Colorado

NOTICE TO INVESTORS

THE ORDER AND PLACEMENT OF MATERIALS IN THIS OFFICIAL STATEMENT, INCLUDING THE APPENDICES, ARE NOT TO BE DEEMED TO BE A DETERMINATION OF RELEVANCE, MATERIALITY, OR IMPORTANCE, AND THIS OFFICIAL STATEMENT, INCLUDING THE APPENDICES, MUST BE CONSIDERED IN ITS ENTIRETY. THE OFFERING OF THE SERIES 2024 BONDS IS MADE ONLY BY MEANS OF THIS ENTIRE OFFICIAL STATEMENT.

No person has been authorized by the Authority, the Borrower or the Underwriters to give any information or to make any representation, other than those contained in this Official Statement, and if given or made, such other information or representation must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there by any sale of the Series 2024 Bonds, by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. Information with respect to the Borrower, the University and the Series 2024 Project has been furnished by the Borrower, the University and the Underwriters, respectively, and neither the Authority nor the Underwriters make any representation or warranty as to the accuracy or completeness of such information. Information with respect to the Authority under the captions "THE AUTHORITY" and "LITIGATION" (insofar as such information pertains to the Authority) has been furnished by the Authority, and neither the Borrower nor the Underwriters make any representation or warranty as to the accuracy or completeness of such information. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in any of the information set forth herein since the date hereof.

The statements and information contained in this Official Statement under the headings "THE BORROWER," "LITIGATION" (but only insofar as such information pertains to the Borrower) and "Consequences of Changes in the Foundation's Tax Status" under the heading "CERTAIN BONDHOLDERS' RISKS," and corresponding information on the cover and under the heading "SHORT STATEMENT" have been supplied by the Borrower, and neither the Underwriters nor the Authority make any representation as to its accuracy or completeness.

The Underwriters have provided the following sentence for inclusion in the Official Statement: The Underwriters have reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities law as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

The quotations from, and summaries and explanations of, provisions of laws and documents contained herein, including the cover page and Appendices attached hereto, do not purport to be complete. Reference is made to such laws and documents for full and complete statements of their provisions. Any statements made in this Official Statement involving estimates or matters of opinion, whether or not expressly so stated, are intended merely as estimates or opinions and not as representations of fact. The information and expressions of opinion herein are subject to change without notice. Neither the delivery of this Official Statement nor any sale of the Series 2024 Bonds shall under any circumstances create any implication that there has been no change in the affairs of Authority or the Borrower since the date of this Official Statement.

References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement for purposes of, and as that term is defined in, Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (the "Rule").

THE SERIES 2024 BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 NOR HAS THE INDENTURE BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON EXEMPTIONS CONTAINED IN SUCH ACTS. THE REGISTRATION OR QUALIFICATION OF THE SERIES 2024 BONDS IN ACCORDANCE WITH APPLICABLE PROVISIONS OF SECURITIES LAWS OF THE STATES IN WHICH THE SERIES 2024 BONDS HAVE BEEN REGISTERED OR QUALIFIED AND THE EXEMPTION FROM REGISTRATION OR QUALIFICATION IN THE OTHER STATES CANNOT BE REGARDED AS A RECOMMENDATION THEREOF. NEITHER THESE STATES NOR ANY OF

THEIR AGENCIES HAVE PASSED UPON THE MERITS OF THE SERIES 2024 BONDS OR THE ACCURACY OR COMPLETENESS OF THIS OFFICIAL STATEMENT.

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THE SERIES 2024 BONDS HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THIS PRELIMINARY OFFICIAL STATEMENT IS DEEMED TO BE FINAL (EXCEPT FOR PERMITTED OMISSIONS) FOR PURPOSES OF COMPLYING WITH RULE 15c2-12.

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS

This Official Statement contains statements which should be considered “forward-looking statements,” within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended, meaning they refer to possible future events or conditions. Such statements are generally identifiable by the words such as “anticipate,” “believe,” “budget,” “estimate,” “expect,” “intend,” “plan,” “forecast,” or similar words.

If and when included in this Official Statement or in documents incorporated herein by reference, the words “projections,” “expects,” “intends,” “anticipates,” and “estimates” and analogous expressions are intended to identify “forward-looking statements,” as defined in the Private Securities Litigation Reform Act of 1995. Any such statements, which may include statements contained under the headings “THE SERIES 2024 PROJECT,” “MARKET STUDY,” “CASH FLOW PROJECTION,” “CERTAIN BONDHOLDERS’ RISKS” and “EXHIBIT A—MARKET STUDY” inherently are subject to a variety of risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements. Such risks and uncertainties include, among others, general economic and business conditions; competition; changes in political, social, and economic conditions; regulatory initiatives and compliance with governmental regulations; discovery of previously unknown conditions; and various other events, conditions, and circumstances. These forward-looking statements speak only as of the date of this Official Statement; provided, however that any forward-looking statements with respect to the Market Study, speak only as of the date of the Market Study. The Authority, the Underwriters, and the Borrower expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained in this Official Statement to reflect any change in their expectations with regard thereto or any change in events, conditions, or circumstances on which any such statement is based.

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS THAT MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THE BORROWER DOES NOT EXPECT OR INTEND TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN ITS EXPECTATIONS, OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR.

On or prior to the delivery of the Series 2024 Bonds, the Borrower and the University will each enter into an undertaking for the benefit of the owners of the Series 2024 Bonds to send or cause to be sent certain financial information and operating data to certain information repositories annually and to provide notice to the Municipal Securities Rulemaking Board or to certain information repositories of certain events, pursuant to the requirements of Section (b)(5)(i) of the Rule.

FRESHMAN HOUSING FACILITY RENDERING



GREEK HOUSING FACILITY RENDERING



Table of Contents

	Page
SHORT STATEMENT	1
Purpose of This Official Statement	1
The Authority	1
The Borrower	2
The Foundation.....	2
Plan of Finance	2
Description of the Series 2024 Bonds	3
The Trustee.....	3
The University	4
The Ground Lease	4
The Samford Horizons Campus Master Plan and the Development Team	4
Security and Sources of Payment for the Series 2024 Bonds.....	6
Market Study	7
Cash Flow Projection	7
Certain Bondholders' Risks.....	7
Continuing Disclosure	8
Miscellaneous.....	8
THE AUTHORITY	9
THE GROUND LEASE.....	9
Term	9
Covenants of the Authority	9
PLAN OF FINANCING.....	9
The Series 2024 Project.....	9
ESTIMATED SOURCES AND USES OF FUNDS	11
THE SERIES 2024 BONDS.....	11
General Description.....	11
Registration of Bonds	12
Series 2024 Bonds Are Limited Obligations	12
Redemption	12
ANNUAL DEBT SERVICE REQUIREMENTS.....	15
SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2024 BONDS.....	16
Pledge and Assignment of Trust Estate.....	16
Pledged Revenues; Borrower Security Agreement	17
Leasehold Mortgage, Fixture Filing, and Assignment of Rents and Subleases.....	18
University Financial Support - NFRA Payments	18
Funds Held Under the Indenture	20
Title and Property Insurance.....	24
Rate Covenant	25
Annual Budget.....	26
Covenant Regarding Manager	26
Enforceability of Remedies	27
Certain Covenants of the Borrower Under the Lease Agreement	27
The Borrower's Obligation to Operate	28
Leasehold Mortgage Provisions	29
THE AFFILIATION AGREEMENT	30
Term and Obligations	30
NFRA Payments.....	34
Parking Facility Operations	35
Governance.....	35
THE DEVELOPMENT MANAGER AND THE DEVELOPMENT AGREEMENTS.....	35
The Development Manager	35
Development Agreements	36
THE CONSTRUCTION MANAGER AND THE CONSTRUCTION SERVICES AGREEMENTS	38

Table of Contents
(continued)

	Page
The Construction Manager	38
The Architects	40
MANAGEMENT OF SERIES 2024 PROJECT	41
The Manager and the Management Agreement.....	41
The Facilities Manager and the Operation and Maintenance Agreement.....	43
THE BORROWER.....	46
General	46
The Foundation.....	46
NO RE COURSE AGAINST THE BORROWER'S MEMBER AND OFFICERS	47
THE UNIVERSITY	47
CASH FLOW PROJECTION	48
MARKET STUDY	49
CERTAIN BONDHOLDERS' RISKS.....	49
Introduction	49
General Risk Factors	49
Limited Obligations of the Authority	50
Risks of Construction	51
Limited Resources.....	51
Failure To Achieve and Maintain Occupancy Levels and Rents.....	51
Revenues From Operation of the Student Housing Facilities portion of the Series 2024 Project	52
University As Manager.....	52
Reliance on the University; Outstanding Covered Parity Debt	53
Special Use Nature of the Series 2024 Project; Risks Associated with the Lease Agreement.....	53
Government Regulation.....	53
Competition	54
Risks of Real Estate Investment	54
Risks Associated with the Ground Lease	54
Property Tax Exemption.....	54
Insurance and Legal Proceedings	54
Bankruptcy	55
Limitations on Enforceability of Remedies	56
Possible Limitations on Security	57
Limited Value at Foreclosure	57
Additional Bonds.....	58
Clean-up Costs and Liens Under Environmental Statutes	58
Cybersecurity Risks.....	58
COVID-19 and Future Pandemics or Epidemics.....	58
Pledge and Assignment of, and Grant of Security Interest in, Future Revenues	59
Risk of Early Redemption	59
Actual Results May Differ from Market Study and Cash Flow Projections.....	59
Forward Looking Statements.....	60
Consequences of Changes in the Foundation's Tax Status	60
Effect of Determination of Taxability	60
Taxation of Series 2024 Bonds.....	61
Risk of Audit by Internal Revenue Service	61
Market and Prices for the Series 2024 Bonds.....	61
LITIGATION	61
The Authority	61
The Borrower	62
The University.....	62
TAX MATTERS	62
The Tax-Exempt Bonds.....	62
The Series 2024D Bonds	63

Table of Contents
(continued)

	Page
UNDERWRITING	63
SPECIAL RELATIONSHIPS	64
OPINIONS AND ENGAGEMENT OF BOND COUNSEL.....	64
Opinions of Bond Counsel	64
Termination of Engagement of Bond Counsel Upon Issuance of Series 2024 Bonds.....	65
RATING	65
LEGAL MATTERS AND OTHER ADVISORS.....	65
CONTINUING DISCLOSURE.....	66
MISCELLANEOUS	66

APPENDIX A-1 INFORMATION REGARDING SAMFORD UNIVERSITY
APPENDIX A-2 AUDITED FINANCIAL STATEMENTS OF THE UNIVERSITY FOR THE YEARS
ENDED JUNE 30, 2023 AND 2022

APPENDIX B MARKET STUDY

APPENDIX C CASH FLOW PROJECTION

APPENDIX D-1 FORM OF THE TRUST INDENTURE AS SUPPLEMENTED

APPENDIX D-2 FORM OF THE LEASE AGREEMENT

APPENDIX E DTC BOOK-ENTRY SYSTEM

APPENDIX F PROPOSED FORMS OF OPINION OF BOND COUNSEL

APPENDIX G-1 BORROWER CONTINUING DISCLOSURE AGREEMENT

APPENDIX G-2 UNIVERSITY CONTINUING DISCLOSURE AGREEMENT

APPENDIX H FORM OF AFFILIATION AGREEMENT

OFFICIAL STATEMENT

Relating to:

\$188,800,000*

**THE EDUCATIONAL BUILDING AUTHORITY
OF THE CITY OF HOMEOWOOD (ALABAMA)**

Revenue Bonds

(CHF – Horizons II, L.L.C. Student Housing & Parking Project at Samford University)

\$122,195,000*

Tax-Exempt Series 2024-C

\$66,605,000*

Taxable Series 2024-D

SHORT STATEMENT

This Short Statement contains certain information for quick reference only. Prospective purchasers of the Series 2024 Bonds must read this entire Official Statement, including the appendices hereto, in order to obtain information essential to the making of an informed investment decision. The information set forth in this short statement is subject in all respects to more complete information set forth elsewhere in this Official Statement, which should be read in its entirety.

All capitalized terms used in this Official Statement and not otherwise defined herein have the same meaning as in the hereinafter defined Indenture, Lease Agreement and Affiliation Agreement. To the extent there are conflicts in defined terms used in this Official Statement, the definitions in the Indenture and Lease Agreement shall control. The descriptions and summaries of various documents hereinafter set forth do not purport to be comprehensive or definitive, and reference is made to each document for the complete details of its terms and conditions. All statements herein are qualified in their entirety by reference to each document. Forms of the Indenture and the Lease Agreement are attached respectively as Appendices D-1 and D-2 hereto, and a form of the Affiliation Agreement is attached as Appendix H hereto. The offering of the Series 2024 Bonds to potential investors is made only by means of this entire Official Statement. No person is authorized to detach this short statement from this Official Statement or otherwise to use it without this entire Official Statement.

Purpose of This Official Statement

This Official Statement, which includes the cover page, prefatory information and the appendices, furnishes information in connection with the issuance and sale by The Educational Building Authority of the City of Homewood (the “Authority”) of (a) \$122,195,000* aggregate principal amount of its Revenue Bonds (CHF – Horizons II, L.L.C. Student Housing & Parking Project at Samford University), Tax-Exempt Series 2024-C (the “Series 2024C Bonds”); and (b) \$66,605,000* aggregate principal amount of its Revenue Bonds (CHF – Horizons II, L.L.C. Student Housing & Parking Project at Samford University), Taxable Series 2024-D (the “Series 2024D Bonds” and, together with the Series 2024C Bonds, the “Series 2024 Bonds”). The Series 2024 Bonds and any additional bonds issued in the future under the Indenture (defined below) are collectively referred to herein as the “Bonds.”

The Authority

The Authority is a public corporation of the State of Alabama established under Chapter 17 of Title 16 of the Code of Alabama 1975 (the “Enabling Law”). The Authority has no taxing power.

Reference is made to the Enabling Law for a complete description of the powers of the Authority. The Authority is governed by directors elected by the City Council of the City of Homewood, Alabama. All powers of the Authority are vested in the board of directors.

* Preliminary; subject to change.

The Indenture provides that the obligations of the Authority under the Series 2024 Bonds and the Indenture are limited to, and are payable solely from, the Trust Estate, without recourse to the Authority and without recourse to any past, present or future incorporator, officer, or director of the Authority or of any successor corporation. See “THE AUTHORITY” herein.

The Borrower

CHF – Horizons II, L.L.C. (the “Borrower”) is a single member limited liability company duly formed and validly existing under the laws of the State of Alabama. The sole member of the Borrower is the Collegiate Housing Foundation (the “Foundation”). The Borrower is treated as a “disregarded entity” of the Foundation for federal income tax purposes, meaning that its activities are deemed to be those of its sole member for federal income tax purposes. The Foundation, as the Borrower’s sole member, has executed a Limited Liability Company Agreement (the “Operating Agreement”), dated March 5, 2024, setting forth the purpose of the Borrower and vesting the management of the Borrower exclusively in the Foundation, as sole member. See “THE BORROWER” herein.

The Foundation

The Foundation is a nonprofit corporation formed in 1996 under the laws of the State of Alabama. The Foundation is also an organization that is exempt from federal income tax pursuant to §501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Federal Tax Code”). It was organized and is operated exclusively for charitable and educational purposes including the purpose of assisting colleges and universities in providing housing for their enrolled students and otherwise assisting them in furtherance of their educational missions. The membership of the Foundation is comprised of those colleges and universities so assisted by the Foundation. To date, the Foundation has assisted 50 different colleges and universities with providing housing, including multiple housing facilities on some campuses. In assisting many of those colleges and universities, the Foundation has established other single member limited liability companies for the limited purpose of acquiring and financing student housing projects for such schools, none of which have any assets other than the particular project for which they were established or any obligations beyond the acquisition and financing of such particular project. **Neither the Foundation nor any limited liability company established by the Foundation other than the Borrower will have any obligation with respect to the Series 2024 Bonds or under the hereinafter described Ground Lease, Lease Agreement, Leasehold Mortgage, the Borrower Security Agreement, or Indenture.** See “THE BORROWER—The Foundation” herein.

Plan of Finance

The Series 2024 Bonds are being issued for the purposes of providing funds to finance (a) the costs of construction of Phase IA of the Samford Horizons master plan on the core campus of Samford University (the “University”), consisting of (i) an approximately 515-bed student housing facility for freshman students (the “Freshman Housing Facility”), (ii) an approximately 140-bed student housing facility for upper-level students and Greek organizations (the “Greek Housing Facility” and together with the Freshman Housing Facility, the “Student Housing Facilities”), and (iii) an approximately 540-space parking deck expansion (the “Parking Improvements” and, collectively with the Student Housing Facilities, the “Facilities” or each individually, a “Facility”), and related amenities and facilities, along with associated site development and Offsite Improvements (as defined herein) for the benefit of the students of the University (all such Facilities are referred to herein collectively as the “Series 2024 Project” or the “Project”); (b) the reimbursement of certain costs related to the Samford Horizons master plan, including costs of consultants, architects and engineers; and (c) amounts required for reserves, working capital, capitalized interest, costs of issuance and other financing expenses related to the issuance of the Series 2024 Bonds. The Series 2024 Project will be located on land (the “Property”) located within the campus boundaries of the University. The Property will be leased to the Authority by the University pursuant to a Ground Lease, dated the date of issuance of the Series 2024 Bonds (the “Ground Lease”).

Concurrently with the issuance of the Series 2024 Bonds, the Authority will issue \$74,405,000* of Lease Revenue Bonds (CHF – Horizons I, L.L.C. Recreation Center Project at Samford University) Tax-Exempt Series 2024A and \$14,280,000* of Lease Revenue Bonds (CHF – Horizons I, L.L.C. Recreation Center Project at Samford

* Preliminary; subject to change.

University) Taxable Series 2024B (collectively the “Series 2024AB Bonds”), which are being issued for the purposes of financing: (a) the acquisition, construction, furnishing and equipping of an approximately 154,000 square foot recreation center and athletic complex, currently under construction on the University campus and refinancing outstanding debt related thereto; and (b) amounts required for capitalized interest, costs of issuance and other financing expenses related to the issuance of the Series 2024AB Bonds. The Series 2024AB Bonds are being offered under a separate official statement and are secured under a separate indenture of trust and payable from scheduled base rent and additional rent payments made by the University pursuant to a Facility Lease (the “Facility Lease”) between CHF – Horizons I, L.L.C., as lessor and the University as Lessee. The University’s obligations under the Facility Lease, including its obligation to pay sufficient rent under the Facility Lease, are absolute, irrevocable and unconditional without regard to any claim of the University to any right of abatement, counterclaim, set-off, recoupment, or other claim or action the University may have against the Borrower, the Authority, or the Trustee and constitutes a general obligation of the University payable from all lawfully available funds and revenues thereof.

Description of the Series 2024 Bonds

Redemption. The Series 2024 Bonds are subject to redemption prior to their stated maturity. See “THE SERIES 2024 BONDS—Redemption” herein.

Denominations. The Series 2024 Bonds are issuable in denominations of \$5,000 and any multiple thereof. See “THE SERIES 2024 BONDS” herein.

Registration, Transfers and Exchanges. The Series 2024 Bonds will be issued in fully registered form and will initially be in book-entry form through The Depository Trust Company (“DTC”). Bondholders will not receive a certificate representing their Series 2024 Bonds except in very limited circumstances. When in book-entry form, ownership of Series 2024 Bonds held by DTC or its nominee, Cede & Co., on behalf of the beneficial owners thereof (the “Beneficial Owners”), and beneficial ownership may be transferred upon delivery to DTC (or its nominee, Cede & Co.) of an assignment duly executed by the Beneficial Owner or his duly authorized attorney or legal representative. See “THE SERIES 2024 BONDS” herein.

Payments. Interest on the Series 2024 Bonds is payable on April 1 and October 1 of each year (each such date, a “Stated Interest Payment Date”), commencing October 1, 2024. Payment of the principal of and interest on the Series 2024 Bonds will be made by the Trustee directly to Cede & Co., as nominee of DTC, and will subsequently be disbursed to DTC Participants (as defined in “DTC BOOK-ENTRY SYSTEM” in Appendix E hereto) and thereafter to Beneficial Owners of the Series 2024 Bonds. See “DTC BOOK-ENTRY SYSTEM” in Appendix E hereto.

Tax Exemption. Upon the issuance of the Series 2024C Bonds (the “Tax-Exempt Bonds”), Maynard Nexsen PC, as Bond Counsel, will provide opinions, substantially in the forms thereof in Appendix F, subject to amendment to comply with relevant facts and applicable law on such date, that, under existing law and subject to the assumptions, exceptions and qualifications set forth in “TAX MATTERS” hereinafter, that (a) interest on the Series 2024C Bonds (i) is excludable from gross income for federal income tax purposes under the Federal Tax Code, (ii) is not an item of tax preference for purposes of the federal alternative minimum tax; provided, as a result of amendments to the Federal Tax Code enacted pursuant to the Inflation Reduction Act of 2022, interest on the Series 2024C Bonds may be taken into account for purposes of the alternative minimum tax imposed by Section 55(b)(2) of the Federal Tax Code, and (iii) is exempt from State of Alabama income taxation, and (b) interest on the Series 2024D Bonds (i) is not excludable from gross income for purposes of federal income taxation and (ii) is exempt from State of Alabama income taxation. See “TAX MATTERS” herein and Appendix F hereto.

For a more complete description of the Series 2024 Bonds, see “THE SERIES 2024 BONDS” herein.

The Trustee

Regions Bank will act as trustee, bond registrar, and paying agent for the Series 2024 Bonds.

The University

Samford University (“Samford” or the “University”) is one of the country’s leading Christian universities and offers undergraduate programs grounded in the liberal arts with an array of nationally recognized graduate and professional schools. Founded in 1841, Samford is the 87th-oldest institution of higher learning in the United States. Located in the Birmingham, Alabama suburb of Homewood, the university’s campus covers approximately 247 acres and is renowned for its beauty and Georgian-Colonial style architecture. The university currently enrolls 5,791 students from 49 states, the District of Columbia and 16 countries. The student-to-faculty ratio is 14:1, with an average undergraduate class size of 19 people.

The University continues to receive national recognition for the value, affordability, and the quality of its academic programs. In its annual ranking of higher education institutions, *The Wall Street Journal* ranked Samford #10 in the nation for career preparation of its students (2024). Two years prior, the same publication ranked Samford first in the nation for student engagement (2022). Samford offers undergraduate and graduate degrees across 10 academic schools: arts, arts and sciences, business, divinity, education, health professions, law, nursing, pharmacy, and public health. The University has one of three accredited law schools and one of only two accredited pharmacy schools in Alabama. Samford’s Beeson Divinity School is the only fully accredited graduate divinity school based in Alabama. The University is classified by the Carnegie Commission on Higher Education as a national doctoral/professional institution.

Samford’s mission to nurture student development intellectually, ethically and spiritually is fostered through an array of opportunities, including 182 student organizations, global engagement in more than 14 different countries and a wide array of courses that incorporate community service. Additionally, undergraduate students complete Samford’s core curriculum, providing a well-rounded foundation in the liberal arts. The result is a highly tailored educational experience that results in 97% of undergraduate alumni employed or in further study within six months of graduation. See “THE UNIVERSITY” herein. In addition, demographic and summary operating and financial information related to the University is attached hereto as APPENDIX A-1. The University’s Consolidated Financial Statements for the years ended June 30, 2023 and 2022, are attached hereto as APPENDIX A-2.

The Ground Lease

The sites on which Series 2024 Project will be constructed (collectively, the “Property”) are located on the core campus of the University and will be leased to the Authority pursuant to a Ground Lease (the “Ground Lease”) dated the date of issuance of the Series 2024 Bonds, between the University, as landlord and the Authority, as tenant. Pursuant to the Ground Lease, the University will lease the Property to the Authority, beginning on or about the date of issuance of the Series 2024 Bonds, and continuing for a period of 37 years thereafter; provided, the University may terminate the Ground Lease at any time after the defeasance and termination of the Lease Agreement and the Indenture in accordance with the respective terms thereof. See “THE GROUND LEASE” herein.

The Samford Horizons Campus Master Plan and the Development Team

The Samford Horizons Campus Master Plan. The University entered into a Master Development Agreement in December 2023 (the “Master Development Agreement”) with Landmark Development Services Company LLC, a Wisconsin limited liability company (“Landmark” or the “Development Manager”) and Johnson Controls, Inc. (“JCI” and, together with Landmark, collectively, the “Master Developer”) to envision and execute certain portions of the Samford Horizons Campus Master Plan (the “Master Plan”). The Master Plan provides for strategic development of the University’s total campus property over a fifteen-year or greater horizon and conceptually addresses four districts: the Belltower (Academic) District; the Bulldog (Residential and Campus Life) District; the Creekside (Hotel; Commercial; Office, Retail and/or University Related Housing) District; and the Innovation (Medical / Office / Research) District. Pursuant to the Master Development Agreement, the parties have approved Phase 1A of the Samford Horizons Project, which are the Series 2024 Project elements to be financed with proceeds of the Series 2024 Bonds.

The Master Development Agreement grants the Master Developer certain rights to develop potential retail, hospitality, office, residential or other types of facilities congruent with the University’s mission and purpose on University-owned property subject to the certain conditions including the University’s prior approval and satisfactory

independent market studies supporting the viability of any proposed project. The University's responsibility for any such projects is generally limited to allowing appropriate ground leases and easements. Pursuant to terms of the Master Development Agreement, the University cannot be compelled to provide land, participate in, or approve any specific project.

Projects primarily are envisioned on under-utilized land adjacent to, but located away from, the University's central campus. For example, vacant properties south of Lakeshore Drive and/or at the southeast corner of the College of Health Sciences could include facilities such as a conference hotel, a medical office building, University-affiliated housing, and commercial/retail buildings. Any University-affiliated housing options may include market rate housing that is not designed or marketed specifically as University student housing but could be occupied by undergraduate students, graduate students, and/or visiting scholars and faculty. Continued demand for University student housing is supported by Samford's undergraduate housing policy requiring students to live in on-campus residence halls for the duration of the academic year if they are under 21 years of age as of the first day of the fall semester.

As of the date of this offering, the University has not reviewed nor approved a project plan specific to any contemplated development. Based on concept presentations, it does expect to review and potentially advance within the next twelve months a mixed-use opportunity located south of Lakeshore Drive anchored by a 150-room, four-star hotel with conference facilities and market rate housing. The University would expect to generate income through a ground lease structure without any cash equity contribution or assumption of any debt liability.

The Development Manager. Landmark is a real estate development company based in Madison, Wisconsin which will provide development management services during the design and construction phase of the Series 2024 Project, in accordance with the Development Agreements (defined below). The Development Manager entered into three separate Development Management Services Agreements with the University, each dated as of January 1, 2024 (collectively the "Development Agreements"), with respect to the Freshman Housing Facility, the Greek Housing Facility and the Parking Improvements, which Development Agreements will be collaterally assigned by the University to the Borrower as of the date of issuance of the Series 2024 Bonds pursuant to the terms of the Collateral Assignment Agreement (the "University Collateral Assignment"), by the University to the Borrower. See "THE DEVELOPMENT MANAGER AND THE DEVELOPMENT AGREEMENTS" herein.

The Architects. Perkins & Will, Inc. is the architect for the Freshman Housing Facility and Davis Architects, Inc. is the architect for the Greek Housing Facility and the Parking Improvements (Perkins & Will and Davis Architects shall be collectively referred to herein as the "Architects"). The Architects are responsible for management of design and engineering subconsultants on the their respective elements of the Series 2024 Project, as set forth in the Design Services Agreement between the University and Perkins & Will, Inc., dated as of January 15, 2024 (the "Freshman Housing Facility Architect Agreement"), the Design Services Agreement between the University and Davis Architects, Inc. (the "Parking Improvements Architect Agreement") and the Design Services Agreement between the University and Davis Architects, Inc., dated as of May 2, 2023 (the "Greek Housing Facility Architect Agreement" and, together with the Freshman Housing Facility Architect Agreement and the Parking Improvements Architect Agreement, the "Architect Agreements"), which Architect Agreements will be collaterally assigned by the University to the Borrower as of the date of issuance of the Series 2024 Bonds pursuant to the terms of the University Collateral Assignment. See "THE DEVELOPMENT MANAGER AND THE DEVELOPMENT AGREEMENTS—The Architects" herein.

The Construction Manager. The Robins & Morton Group, a Delaware general partnership (the "Construction Manager") is the Construction Manager for the Series 2024 Project. The Construction Manager has or will enter into Construction Services Agreements with the University with respect to the Freshman Housing Facility, the Greek Housing Facility, and the Parking Improvements (collectively, the "Construction Services Agreements"), which Construction Services Agreements will be collaterally assigned by the University to the Borrower as of the date of issuance of the Series 2024 Bonds pursuant to the terms of the University Collateral Assignment. The Construction Services Agreements obligate the Construction Manager to construct the Freshman Housing Facility, the Greek Housing Facility and the Parking Improvements for a guaranteed maximum price for each Facility, subject to adjustment as provided in the Construction Services Agreements. See "THE CONSTRUCTION MANAGER AND THE CONSTRUCTION SERVICES AGREEMENTS" herein.

University Affiliation Agreement and Management Agreement

The University will enter into an Affiliation Agreement with the Borrower, dated the date of issuance of the Series 2024 Bonds (the “Affiliation Agreement”), detailing the University’s support obligations related to the Series 2024 Project. Pursuant to the Affiliation Agreement, the University agrees to pursue to final completion the development, design, construction, furnishing, installation, and equipping of each Facility, including all Offsite Improvements related to such Facility, by the guaranteed date for each Facility and for the agreed upon not-to-exceed total development cost for the Series 2024 Project. In further support of the Series 2024 Project, the University will make semi-annual payments to the Borrower (the “NFRA Payments”) that will be deposited in the Revenue Fund as part of the Pledged Revenues available for the purposes set forth in the Indenture, including for the payment of the Series 2024 Bonds, as described further herein. See “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS—NFRA Payments,” “THE AFFILIATION AGREEMENT” and the form of Affiliation Agreement attached hereto as Appendix H.

The Student Housing Facilities will be initially managed by the University under the terms of a Management Agreement, dated the date of issuance of the Series 2024 Bonds (the “Management Agreement”), by and between the University and the Borrower. The Student Housing Facilities will be leased to Eligible Residents and the University will be responsible for the collection of all rents, charges, and other amounts receivable on the Borrower’s account in connection with the management and operation of the Student Housing Facilities. The Management Agreement includes provisions detailing the University’s responsibilities for marketing, leasing and operating support. Certain operation and maintenance services for the Series 2024 Project will be subcontracted to JCI pursuant to an Operations and Maintenance Agreement between the University and JCI, dated on or about the date of issuance of the Series 2024 Bonds (the “O&M Agreement”). See “MANAGEMENT OF THE SERIES 2024 PROJECT” herein.

Security and Sources of Payment for the Series 2024 Bonds

Lease Agreement. Pursuant to the Lease Agreement, the Borrower agrees to make Lease Payments to the Trustee in such amounts as will be sufficient to pay, when due, the principal or redemption price of and interest on the Series 2024 Bonds.

Pursuant to the Indenture, the Authority will assign to the Trustee all of its right, title and interest in and to, and remedies under, the Lease Agreement, except for certain reserved rights, including rights to reimbursement of expenses and indemnification. See “FORM OF THE LEASE AGREEMENT” in Appendix D-2 hereto.

Indenture. As security for its obligations under the Series 2024 Bonds, the Authority will enter into the Trust Indenture, dated as of June 1, 2024 (as supplemented and amended, the “Indenture”) with the Trustee. Pursuant to the Indenture, the Authority will pledge, assign and grant to the Trustee a first priority security interest in the Lease Agreement, all property described therein, all amounts to be received thereunder, and all property to be held thereunder (except for Unassigned Rights as defined in the Lease Agreement).

Leasehold Mortgage; Borrower Security Agreement; University Assignment. To secure the Borrower’s obligations to the Authority under the Lease Agreement, the Borrower will execute and deliver to the Trustee: (i) a Leasehold Mortgage, Assignment of Leases, Security Agreement, and Fixture Filing (the “Leasehold Mortgage”), dated the date of issuance of the Series 2024 Bonds, pursuant to which the Borrower will, subject to Permitted Encumbrances (as defined in the Indenture), grant to the Trustee a continuing security interest in the interest of the Borrower pursuant to, and for the term of, the Lease Agreement in the real and personal property constituting the Series 2024 Project, certain condemnation and damage proceeds with respect thereto, and rental income from any subleases thereof and (ii) a Borrower Security Agreement (the “Borrower Security Agreement”), dated the date of issuance of the Series 2024 Bonds, pursuant to which the Borrower will grant to the Trustee a continuing security interest in the interest of the Borrower in (a) the Affiliation Agreement and the Management Agreement, (b) the contracts for the design, development and construction of the Series 2024 Project (as assigned to the Borrower by the University pursuant to the University Collateral Assignment), and (c) and certain service agreements, real estate due diligence materials, and insurance proceeds respecting the Series 2024 Project. See “SECURITY AND SOURCES OF PAYMENT OF THE SERIES 2024 BONDS”.

Pledged Revenues. The Lease Agreement will constitute an obligation of the Borrower to pay amounts sufficient to pay principal or redemption price of and interest on the Series 2024 Bonds. The Lease Agreement will be secured by a pledge, assignment and grant of a security interest in the Pledged Revenues and the funds established under the Indenture. See “SECURITY AND SOURCES OF PAYMENT OF THE SERIES 2024 BONDS—Pledged Revenues; Borrower Security Agreement” herein. In further support of the Series 2024 Project, the University will make semi-annual payments to the Borrower (as previously defined, the “NFRA Payments”) that will be deposited in the Revenue Fund as part of the Pledged Revenues available for the purposes set forth in the Indenture, including for the payment of the Series 2024 Bonds, as described further herein. See “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS—NFRA Payments,” “THE AFFILIATION AGREEMENT” and the form of Affiliation Agreement attached hereto as Appendix H.

Debt Service Reserve Fund.* A debt service reserve fund (the “Debt Service Reserve Fund”) is created pursuant to the Indenture, together with accounts therein for each series of Bonds. The Debt Service Reserve Requirement for the Series 2024C Bonds will be funded with proceeds of the Series 2024 Bonds in an amount (a) for the period beginning on the Date of Initial Delivery and continuing until and including October 1, 2043*, the amount of \$ 6,110,461.50*; and (b) for the period beginning on October 1, 2043* and continuing thereafter, the amount of \$12,859,000*, which amount is less than, or equal to the least of (i) the maximum amount of principal of and interest on the Series 2024C Bonds payable in any Fiscal Year, or (ii) 125% of the average annual (Fiscal Year basis) principal and interest requirements on such Series 2024C Bonds, determined in accordance with the Federal Tax Code, or (iii) 10% of the stated aggregate principal amount of such Series 2024C Bonds, determined in accordance with the Federal Tax Code. The Debt Service Reserve Requirement for the Series 2024D Bonds will be funded with proceeds of the Series 2024D Bonds in the amount of \$ 6,748,538.50*. See “ESTIMATED SOURCES AND USES OF FUNDS,” “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2024 BONDS” and “CERTAIN BONDHOLDERS’ RISKS” herein.

Market Study

The Development Manager engaged Rieth Jones Advisors, LLC (“RJA”) to confirm housing demand for the Series 2024 Project (excluding non-housing components). RJA analyzed the University’s existing housing conditions, enrollment trends, and rental rates and integrated this information into a student housing demand assessment. RJA delivered its Student Housing Market Analysis in November 2023 (the “Market Study”). See “MARKET STUDY” in Appendix B, “CERTAIN BONDHOLDERS’ RISKS—Actual Results May Differ from Market Study and Cash Flow Projection” and “CAUTIONARY STATEMENTS REGARDING FORWARD LOOKING STATEMENTS” herein. The Market Study should be read in its entirety.

Cash Flow Projection

The Cash Flow Projection (the “Cash Flow Projection”) relating to the Student Housing Facilities’ ability to generate revenues from the operations sufficient to pay principal of and interest on the Series 2024 Bonds has been prepared based on operating budgets formulated by the University, in its capacity as the Manager of the Student Housing Facilities and is attached hereto as Appendix C. Revenues from the North Parking Deck being improved with proceeds of the Series 2024 Bonds are not included in the Pledged Revenues pledged for repayment of the Series 2024 Bonds. The Cash Flow Projection has not been reviewed, examined or compiled by an accountant. None of the Authority, the Borrower or the Underwriters makes any representation with respect to the accuracy of the Cash Flow Projection.

See “CASH FLOW PROJECTION,” “CERTAIN BONDHOLDERS’ RISKS—Actual Results May Differ from Market Study and Cash Flow Projection” and “CAUTIONARY STATEMENTS REGARDING FORWARD LOOKING STATEMENTS” herein.

Certain Bondholders’ Risks

A PROSPECTIVE BONDHOLDER IS ADVISED TO READ THE ENTIRE OFFICIAL STATEMENT, INCLUDING THE APPENDICES HERETO, BEFORE MAKING AN INVESTMENT DECISION TO PURCHASE

* Preliminary; subject to change.

SERIES 2024 BONDS. SPECIAL REFERENCE IS MADE TO THE SECTIONS “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2024 BONDS” AND “CERTAIN BONDHOLDERS’ RISKS” HEREIN FOR A DISCUSSION OF CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED IN CONNECTION WITH AN INVESTMENT IN THE SERIES 2024 BONDS. Careful consideration should be given to these risks and other risks described elsewhere in this Official Statement as well as other risks that are typical with respect to similar offerings. Among other things, because the Series 2024 Bonds are payable solely from the revenues and assets of the Borrower and other money pledged to such payment, careful evaluation should be made of the adverse effects from a wide variety of future events and conditions including construction risks, a decline in the enrollment of the University, increased competition from other schools and other student housing facilities on or near the University campus, loss of accreditation, failure to meet federal guidelines or some other event that results in students being ineligible for federal financial aid, and cost overruns in connection with the Series 2024 Project or other capital improvements that may adversely and materially affect the ability of the Borrower to generate sufficient Revenues to pay its expenses of operation, including the principal or redemption price of and interest on the Series 2024 Bonds. The Borrower’s ability to pay the principal of and interest on the Series 2024 Bonds may be adversely affected by its contractual obligations with respect to the Series 2024 Bonds and the Series 2024 Project, including requirements for payment by the Borrower pursuant to indemnity obligations under certain of the project and financing documents. In addition, the Market Study and the Cash Flow Projection are based on assumptions concerning future events, circumstances, and transactions, and it is likely that actual results will be different from the results projected in the Market Study and the Cash Flow Projection and those differences may be material and adverse. See “CAUTIONARY STATEMENTS REGARDING FORWARD LOOKING STATEMENTS” herein. The foregoing risks are not intended to be exhaustive but include certain major factors that should be considered by prospective purchasers along with other factors set forth elsewhere in this Official Statement, including the Appendices hereto.

Continuing Disclosure

The Borrower will agree to provide information pursuant to a Continuing Disclosure Agreement required by the provisions of Rule 15c2-12 (“Rule 15c2-12”) promulgated by the SEC, and neither the University nor the Authority will undertake any responsibility with respect to such continuing disclosure of the Borrower under Rule 15c2-12. See “CONTINUING DISCLOSURE” herein and “APPENDIX G-1—BORROWER CONTINUING DISCLOSURE AGREEMENT” attached hereto for a more detailed description of disclosure requirements of the Borrower.

The University will agree to provide information pursuant to a Continuing Disclosure Agreement required by the provisions of Rule 15c2-12 promulgated by the SEC, and neither the Borrower nor the Authority will undertake any responsibility with respect to such continuing disclosure of the University under Rule 15c2-12. See “CONTINUING DISCLOSURE” herein and “APPENDIX G-2—UNIVERSITY CONTINUING DISCLOSURE AGREEMENT” attached hereto for a more detailed description of disclosure requirements of the University.

Miscellaneous

This Official Statement speaks only as of its date, and the information contained herein is subject to change. Copies of the Official Statement in final form will be provided to the Municipal Securities Rulemaking Board for availability to the public on its Electronic Municipal Market Access web site known as EMMA. Copies of the Official Statement and other relevant documents and information regarding the documents are available upon request from the Underwriters prior to the issuance and delivery of the Series 2024 Bonds and from the Trustee after the issuance and delivery of the Series 2024 Bonds. The Official Statement, including the cover page and the attached Appendices, contains specific information relating to the Series 2024 Bonds, the Authority, the University, the Series 2024 Project and the Borrower and other information pertinent to the Series 2024 Bonds described herein. Persons considering purchasing the Series 2024 Bonds should review carefully the Appendices attached hereto as well as copies of such documents, which prior to the issuance of the Series 2024 Bonds may be obtained from the Underwriters and, following the issuance of the Series 2024 Bonds, will be held by the Trustee at its designated corporate trust office.

The order and placement of materials in this Official Statement, including the Appendices, are not to be deemed to be a determination of relevance, materiality or importance, and this Official Statement, including the Appendices, must be considered in its entirety. This Official Statement speaks only as of its date and the information herein is subject to change without notice.

THE AUTHORITY

The Authority is a public nonprofit corporation duly organized and existing under the laws of the State of Alabama (the “State”), including particularly Chapter 17 of Title 16 of the Code of Alabama 1975 (the “Act”). The Authority is authorized under the Act to carry out the public purposes described in the Act by issuance of its revenue bonds to provide funds for the financing of education and multi-family housing projects located in Homewood, Alabama. The Authority does not have the power of taxation.

AS DESCRIBED ON THE COVER HEREOF, THE SERIES 2024 BONDS ARE LIMITED OBLIGATIONS OF THE AUTHORITY, PAYABLE SOLELY OUT OF REVENUES SPECIFICALLY PLEDGED THERETO.

Although the Authority has authorized the use of this Official Statement in connection with the offer and sale of the Series 2024 Bonds, it has not participated in the preparation hereof and it assumes no responsibility as to its accuracy or completeness (other than with respect to the information in “THE AUTHORITY” and “LITIGATION—The Authority”).

THE GROUND LEASE

In addition to the description of certain provisions of the Ground Lease contained elsewhere herein, the following is a brief summary of certain provisions of the Ground Lease and does not purport to be comprehensive or definitive. Capitalized terms used but not defined in the below summary of certain provisions of the Ground Lease have the meaning ascribed in the Ground Lease.

Term

Pursuant to a Ground Lease, dated the date of issuance of the Series 2024 Bonds, the University, as lessor (the “Lessor”), will agree to lease the Property to the Authority (“Lessee”), beginning on or about the date of issuance of the Series 2024 Bonds, and continuing for a period of 37 years thereafter; provided, the University may terminate the Ground Lease at any time after the defeasance and termination of the Lease Agreement and the Indenture in accordance with the respective terms thereof.

Covenants of the Authority

The Authority covenants and agrees with the University that: (a) the Authority will not authorize, execute or deliver the Lease Agreement without the prior written consent of the University; (b) the Authority will duly and punctually observe and perform all agreements and obligations thereof under the Lease Agreement and the Indenture in due time, form and manner as provided therefor; (c) the Authority will not use, or permit the use of, the Property by any Person, or for any purpose, other than the location and operation of the Series 2024 Project pursuant to the Lease Agreement; (d) the Authority will apply all proceeds of any insurance and condemnation awards made in respect of the interest of the Authority in and to the Series 2024 Project in accordance with the Indenture and the Lease Agreement; (e) the Authority will not alien, assign, convey, encumber or transfer any interest of the Authority in and to the Property or the Ground Lease without the prior written consent of the University.

PLAN OF FINANCING

The Series 2024 Project

This Official Statement, including the cover page and the Appendices hereto, furnishes certain information in connection with the sale by the Authority of the Series 2024 Bonds for the purpose of providing funds to finance and refinance the costs of constructing the Series 2024 Project, described below, on the core campus of the University. Proceeds of the Series 2024 Bonds will also finance amounts required for reserves, working capital, capitalized interest, costs of issuance and other financing expenses related to the issuance of the Series 2024 Bonds. All capitalized terms used in this Official Statement and not otherwise defined herein shall have the meanings ascribed thereto in the Indenture and the Lease Agreement, as applicable, which are attached in Appendices D-1 and D-2 hereto, respectively.

The Series 2024 Project is planned to consist of the Freshman Housing Facility, the Greek Housing Facility, the Parking Improvements and related amenities and facilities, along with associated site development and Offsite Improvements, for the benefit of the students of the University, as further described below. The University and the Development Manager have negotiated the Master Project Budget as set forth in the Development Agreements for each of the Freshman Housing Facility, the Greek Housing Facility, and the Parking Improvements. The Master Project Budget amounts for each of the Freshman Housing Facility, the Greek Housing Facility, and the Parking Improvements are as set forth below. Proceeds of the Series 2024 Bonds will also finance the reimbursement of certain costs related to the Samford Horizons master plan, including costs of consultants, architects and engineers in an estimated amount totaling \$9,863,650*.

Freshman Housing Facility. The Freshman Housing Facility consists of a new first-year community with approximately 515 single- and double-occupancy semi-suite beds. It is anticipated that 490 of the beds will be full revenue producing beds with an initial semester rental rate of \$5,400 for the Fiscal Year Ending June 30, 2026. The remaining 25 beds in the facility will be staff beds for resident assistants and the residence life coordinator and offered at discounted rental rates. The Freshman Housing Facility will be located north of the Ralph W. Beeson University Center and south of the Lena Vail Davis Residence Hall. When combined with the Mamie Mell Smith and the Lena Vail Davis Residence Halls, the three-building complex will form the University's freshman commons and serve as a home to all first-year students. The estimated total development cost for the Freshman Housing Facility and related Offsite Improvements is \$95,486,183*.

Greek Housing Facility. The Greek Housing Facility consists of approximately 140 double-occupancy beds for non-first-year students intended to address housing needs for Greek organizations. It is anticipated that 136 of the beds will be full revenue producing beds with an initial semester rental rate of \$4,567 for the Fiscal Year Ending June 30, 2026. The remaining four beds in the facility will be staff beds for resident assistants and offered at discounted rental rates. The Greek Housing Facility will be located east of the Tri Delta house in the West Campus Residence Halls area. The estimated total development cost for the Greek Housing Facility and related Offsite Improvements is \$32,051,060*.

Parking Improvements. The Parking Improvements will consist of expansion of the currently existing North Parking Deck (collectively with the Parking Improvements, the "Parking Facility") located to the north of the Mamie Mell Smith and the Lena Vail Davis Residence Halls at 840 Montague Drive, Homewood, Alabama, by adding approximately 540 new parking stalls to address the parking needs for the University's students. Revenues from the Parking Facility being improved with proceeds of the Series 2024 Bonds are not included in the Pledged Revenues pledged for repayment of the Series 2024 Bonds. The University will occupy, operate, and maintain the Parking Facility in accordance with the terms and conditions of the Affiliation Agreement. The estimated total development cost for the Parking Improvements and related Offsite Improvements is \$22,942,674*.

Offsite Improvements. The Offsite Improvements (collectively, the "Offsite Improvements") include improvements to Talbird Circle, an area adjacent to the newly renovated Ralph W. Beeson University Center and the to-be-constructed freshmen residence hall, the purpose of which is to enhance pedestrian and vehicular traffic, connect all freshmen residences as a "commons", and to provide landscaping for the area. Work includes sidewalks, streetscapes suitable for ADA compliant access and parking, vehicular and loading access and landscaping. Additional landscaping improvements, including additional sidewalks, walkways, retaining walls, and road improvements will be undertaken around the Greek Housing Facility, and the Parking Improvements to ensure connectivity and flow to areas immediately adjacent to the improvements. The estimated total cost for the Offsite Improvements is approximately \$2,571,770* related to the Freshman Housing Facility (including Talbird Circle), \$237,870* related to the Greek Housing Facility and \$882,000* related to Parking Improvements.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

* Preliminary; subject to change.

ESTIMATED SOURCES AND USES OF FUNDS*

The schedule below contains the estimated sources and uses of funds resulting from the sale of the Series 2024 Bonds:

	Series 2024C Bonds	Series 2024D Bonds	Aggregate
Sources: *			
The Series 2024 Bonds	\$122,195,000.00	\$66,605,000.00	\$188,800,000.00
[Net] Original Issue Premium/Discount	2,630,685.90	0.00	2,630,685.90
Investment earnings ¹	<u>1,262,443.50</u>	<u>315,548.94</u>	<u>1,577,992.44</u>
Total	<u>\$126,088,129.40</u>	<u>\$66,920,548.94</u>	<u>\$193,008,678.34</u>
Uses: *			
Deposit to the Series 2024C Construction Fund	\$107,889,857.00	\$ 0.00	\$107,889,857.00
Deposit to the Series 2024D Construction Fund	0.00	52,853,709.64	52,853,709.64
Deposit to Capitalized Interest Account ²	9,643,331.09	6,986,651.97	16,629,983.06
Deposit to Debt Service Reserve Fund	6,110,461.50	6,748,538.50	12,859,000.00
Costs of Issuance ³	<u>2,444,479.93</u>	<u>331,648.78</u>	<u>2,776,128.71</u>
Total	<u>\$126,088,129.52</u>	<u>\$66,920,548.89</u>	<u>\$193,008,678.41</u>

* Preliminary; subject to change.

¹ Investment earnings from guaranteed investment contracts earned on amounts deposited in the Series 2024C Construction Fund, 2024D Construction Fund and Capitalized Interest Accounts. Sources above otherwise exclude any other investment earnings.

² This amount, constituting the amount of interest to be paid on the Series 2024 Bonds during and shortly after construction of the Series 2024 Project, will be deposited to the Capitalized Interest Accounts of the Series 2024C Construction Fund and the Series 2024D Construction Fund and disbursed to pay the initial interest to accrue on the Series 2024 Bonds through February 1, 2026.

³ Includes Underwriters' discount, legal fees, accounting fees, Authority fees, and other costs of issuance.

THE SERIES 2024 BONDS

General Description

The Series 2024 Bonds will be issued in the aggregate principal amount of \$188,800,000,* will be dated the Closing Date, and will mature on October 1 as set forth on the inside cover pages hereof, subject to optional, special mandatory, mandatory, and extraordinary optional redemption provisions, as set forth herein.

The Series 2024 Bonds will bear interest at the rates and will be sold at prices to bear the yields shown on the cover page of this Official Statement. Interest on the Series 2024 Bonds will be payable on October 1, 2024 and semi-annually thereafter on April 1 and October 1 (collectively, the "Stated Interest Payment Dates" and each, a "Stated Interest Payment Date").

Interest on the Series 2024 Bonds will be computed on the basis of a 360-day year consisting of twelve 30-day months. The Series 2024 Bonds will be issued as fully registered bonds without coupons in the denominations ("Authorized Denominations") of \$5,000 and any multiple thereof.

The Series 2024 Bonds will be initially registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Series 2024 Bonds and purchasers of the Series 2024 Bonds will not receive certificates evidencing their ownership interests therein. So long as Cede & Co. is the registered owner of the Series 2024 Bonds as nominee of DTC, references herein to the Owners of the Series 2024 Bonds shall mean Cede & Co. and shall not mean the beneficial owners of the Series 2024 Bonds. So long as Cede & Co. is the registered owner of the Series 2024 Bonds,

* Preliminary; subject to change.

the Debt Service on the Series 2024 Bonds will be made to Cede & Co., as nominee for DTC, which will in turn remit such Debt Service to the Direct Participants and Indirect Participants for subsequent disbursement to the beneficial owners. See "DTC BOOK-ENTRY SYSTEM" in Appendix E attached hereto.

Registration of Bonds

The Authority is to cause the Bond Register to be kept at the Office of the Trustee in which, subject to such reasonable regulations as it may prescribe, the Authority is to provide for the registration of Series 2024 Bonds. The Bond Registrar will register the ownership of each of the Series 2024 Bonds on the Bond Register in the name of the Person who is to have acquired such Series 2024 Bond.

Series 2024 Bonds Are Limited Obligations

THE SERIES 2024 BONDS ARE LIMITED OBLIGATIONS OF THE AUTHORITY PAYABLE SOLELY FROM THE TRUST ESTATE AND, EXCEPT FROM SUCH SOURCE, NONE OF THE AUTHORITY, ANY AUTHORITY INDEMNIFIED PERSON (AS DEFINED IN THE INDENTURE), THE STATE OF ALABAMA OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF, IS OBLIGATED TO PAY THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST THEREON OR ANY COSTS INCIDENTAL THERETO. THE SERIES 2024 BONDS ARE NOT GENERAL OBLIGATIONS OF THE AUTHORITY BUT ARE LIMITED OBLIGATIONS PAYABLE SOLELY FROM THE REVENUES AND RECEIPTS DERIVED FROM THE TRUST ESTATE, WHICH REVENUES AND RECEIPTS ARE SPECIFICALLY PLEDGED TO SUCH PURPOSES IN THE MANNER AND TO THE EXTENT PROVIDED IN THE INDENTURE. NEITHER THE DIRECTORS OF THE AUTHORITY NOR ANY PERSONS EXECUTING THE SERIES 2024 BONDS SHALL BE LIABLE PERSONALLY ON THE SERIES 2024 BONDS BY REASON OF THE ISSUANCE THEREOF. THE SERIES 2024 BONDS SHALL NOT BE DEEMED TO CONSTITUTE A DEBT OR A PLEDGE OF THE FAITH AND CREDIT OF THE AUTHORITY, THE STATE OF ALABAMA, OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE AUTHORITY AND THE CITY OF HOMEWOOD, ALABAMA. NEITHER THE STATE OF ALABAMA NOR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE AUTHORITY AND THE CITY OF HOMEWOOD, ALABAMA, SHALL BE LIABLE FOR THE SERIES 2024 BONDS OR OBLIGATED TO PAY THE PRINCIPAL, PREMIUM, IF ANY, OR THE INTEREST THEREON OR OTHER COSTS INCIDENT THERETO EXCEPT FROM THE REVENUES AND RECEIPTS PLEDGED THEREFOR, AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF ALABAMA OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE AUTHORITY AND THE CITY OF HOMEWOOD, ALABAMA, IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR THE PREMIUM, IF ANY, OR THE INTEREST ON THE SERIES 2024 BONDS OR OTHER COSTS INCIDENT THERETO. THE AUTHORITY HAS NO TAXING POWER.

Redemption

Optional Redemption.

(a) The Series 2024C Bonds having stated maturities in 2043* and thereafter are subject to prior redemption on April 1, 2034*, or on any Business Day thereafter, in whole, or in part in Authorized Denominations, at the option of the Authority on the written direction of the Borrower (the Authority being deemed, without action on its part, to have exercised such option upon delivery of such request by the Borrower) at such times, and in such order and amounts of maturities (by random selection within a maturity) as the Borrower is to direct in writing, at a redemption price equal to 100% of the principal amount to be redeemed, plus accrued interest to the date fixed for redemption, without premium or penalty.

(b) The Series 2024D Bonds having stated maturities in 2035* and thereafter are subject to prior redemption on April 1, 2034*, or on any Business Day thereafter, in whole, or in part in Authorized Denominations, at the option of the Authority on the written direction of the Borrower (the Authority being deemed, without action on its part, to have exercised such option upon delivery of such request by the Borrower) at such times, and in such order and amounts of maturities (by random selection within a maturity)

* Preliminary; subject to change.

as the Borrower is to direct in writing, at a redemption price equal to 100% of the principal amount to be redeemed, plus accrued interest to the date fixed for redemption, without premium or penalty.

Mandatory Redemption. The Authority authorizes and directs the Trustee to effect the mandatory redemption of those of the Series 2024C Bonds having a stated maturity on the Stated Principal Payment Date in the years 2049, 2054 and 2056 (the “2024C Term Bonds”) without consent of or direction by the Authority or the Borrower, by lot, on the Stated Principal Payment Date in each of the years and in the aggregate principal amounts set forth below (subject to a credit for the principal amount of the 2024C Term Bonds then cancelled or redeemed and not previously claimed as a credit, and without regard to any prior extraordinary mandatory redemption or optional redemption of the 2024C Term Bonds and without reduction of the principal amount subject to mandatory redemption in any year by reason of such prior extraordinary mandatory redemption or optional redemption) at a redemption price for each 2024C Term Bond to be redeemed equal to the principal amount thereof, plus accrued interest thereon to the redemption date, without premium or penalty:

Series 2024C Bonds Maturing on October 1, 2049*

October 1 of the Year	Principal Amount
2045	\$7,160,00
2046	7,515,000
2047	7,895,000
2048	8,290,000
2049 ¹	8,700,000

¹ Stated Maturity.

Series 2024C Bonds Maturing on October 1, 2054*

October 1 of the Year	Principal Amount
2053	\$9,135,000
2051	9,595,000
2052	10,075,000
2053	10,575,000
2054 ¹	11,105,000

¹ Stated Maturity.

Series 2024C Bonds Maturing on October 1, 2056*

October 1 of the Year	Principal Amount
2055	\$11,660,000
2056 ¹	12,245,000

¹ Stated Maturity.

The Authority authorizes and directs the Trustee to effect the mandatory redemption of those of the Series 2024D Bonds having a stated maturity on the Stated Principal Payment Date in 2043 (the “2024D Term Bonds”)

* Preliminary; subject to change.

without consent of or direction by the Authority or the Borrower, by lot, on the Stated Principal Payment Date in each of the years and in the aggregate principal amounts set forth below (subject to a credit for the principal amount of the 2024D Term Bonds then cancelled or redeemed and not previously claimed as a credit, and without regard to any prior extraordinary mandatory redemption or optional redemption of the 2024D Term Bonds and without reduction of the principal amount subject to mandatory redemption in any year by reason of such prior extraordinary mandatory redemption or optional redemption) at a redemption price for each 2024D Term Bond to be redeemed equal to the principal amount thereof, plus accrued interest thereon to the redemption date, without premium or penalty:

Series 2024D Bonds Maturing on October 1, 2043*

October 1 of the Year	Principal Amount
2040	\$5,235,000
2041	5,595,000
2042	5,985,000
2043 ¹	4,975,000

¹ Stated Maturity.

Extraordinary Redemption. The Series 2024 Bonds are subject to prior redemption on any Business Day in whole, or in part in Authorized Denominations, at the option of the Authority on the written direction of the Borrower (the Authority being deemed, without action on its part, to have exercised such option upon delivery of such request by the Borrower) at such times, and in such order and amounts of maturities (by random selection within a maturity) as the Borrower is to direct in writing, at a redemption price equal to 100% of the principal amount to be redeemed, plus accrued interest to the date fixed for redemption, plus the unamortized amount of any original issue premium on the Series 2024 Bonds called for redemption, and otherwise without premium or penalty, from amounts deposited in the Redemption Fund pursuant to the Indenture from any one or more of the following sources, in an amount equal to such deposit (rounded down to the next highest Authorized Denomination):

- (a) any amount received by the Trustee as Net Proceeds of title insurance pursuant to the Lease Agreement;
- (b) any amount received by the Trustee as Net Proceeds of a disposition of any Equipment pursuant to the Lease Agreement;
- (c) any amount received by the Trustee as monetary consideration in connection with the release of, or the subordination of the Leasehold Mortgage to, any portion of the Series 2024 Project pursuant to written request of the Authority, the Borrower and the University in order that utility services or public services may be provided to the Series 2024 Project;
- (d) any amounts on deposit in an account of a construction fund which are transferred to the Trustee for deposit in the Redemption Fund with a written certificate of an Authorized Borrower Representative to the effect that no further disbursements will be requested from such Account; or
- (e) any amounts transferred to the Redemption Fund by the Trustee pursuant to Section 6.02 (c), (d), and (e); Section 6.04(c); and Section 6.05(d) of the Indenture.

* Preliminary; subject to change.

Notice of Redemption. The Trustee will give the applicable notice of redemption on the dates and in the manner prescribed in the Indenture.

ANNUAL DEBT SERVICE REQUIREMENTS

The following table sets forth the principal, including principal payable at maturity and by mandatory redemption, and interest payment requirements with respect to the Series 2024 Bonds, subject to optional, mandatory and extraordinary redemption prior to maturity, as described herein.

Period Ending (October 1)*	Series 2024C Principal*	Series 2024C Interest* ¹	Series 2024D Principal*	Series 2024D Interest* ¹	Capitalized Interest*	Series 2024 Net Debt Service* ¹
2024	--	\$1,832,925	--	\$1,327,965	\$3,160,890	--
2025	--	6,109,750	--	4,426,551	10,536,301	--
2026	--	6,109,750	--	4,426,551	3,512,100	\$7,024,201
2027	--	6,109,750	\$2,320,000	4,426,551	--	12,856,301
2028	--	6,109,750	2,465,000	4,282,015	--	12,856,765
2029	--	6,109,750	2,615,000	4,129,185	--	12,853,935
2030	--	6,109,750	2,780,000	3,965,748	--	12,855,498
2031	--	6,109,750	2,955,000	3,790,886	--	12,855,636
2032	--	6,109,750	3,145,000	3,603,539	--	12,858,289
2033	--	6,109,750	3,345,000	3,402,888	--	12,857,638
2034	--	6,109,750	3,560,000	3,187,804	--	12,857,554
2035	--	6,109,750	3,790,000	2,957,116	--	12,856,866
2036	--	6,109,750	4,040,000	2,707,734	--	12,857,484
2037	--	6,109,750	4,305,000	2,439,882	--	12,854,632
2038	--	6,109,750	4,595,000	2,153,169	--	12,857,919
2039	--	6,109,750	4,900,000	1,843,466	--	12,853,216
2040	--	6,109,750	5,235,000	1,512,226	--	12,856,976
2041	--	6,109,750	5,595,000	1,148,917	--	12,853,667
2042	--	6,109,750	5,985,000	760,624	--	12,855,374
2043	\$ 1,425,000	6,109,750	4,975,000	345,265	--	12,855,015
2044	6,820,000	6,038,500	--	--	--	12,858,500
2045	7,160,000	5,697,500	--	--	--	12,857,500
2046	7,515,000	5,339,500	--	--	--	12,854,500
2047	7,895,000	4,963,750	--	--	--	12,858,750
2048	8,290,000	4,569,000	--	--	--	12,859,000
2049	8,700,000	4,154,500	--	--	--	12,854,500
2050	9,135,000	3,719,500	--	--	--	12,854,500
2051	9,595,000	3,262,750	--	--	--	12,857,750
2052	10,075,000	2,783,000	--	--	--	12,858,000
2053	10,575,000	2,279,250	--	--	--	12,854,250
2054	11,105,000	1,750,500	--	--	--	12,855,500
2055	11,660,000	1,195,250	--	--	--	12,855,250
2056	<u>12,245,000</u>	<u>612,250</u>	--	--	--	<u>12,857,250</u>
Total ¹	<u>\$122,195,000</u>	<u>164,283,425</u>	<u>\$66,605,000</u>	<u>\$56,838,080</u>	<u>\$17,209,292</u>	<u>\$392,712,214</u>

* Preliminary; subject to change.

¹ Totals may not be exact due to rounding. Assumes the Series 2024C Bonds bear interest at an approximate rate of 5.000% and the Series 2024D Bonds bear interest at the approximate rate of 6.741%.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2024 BONDS

In addition to the description of certain provisions of the Indenture, the Lease Agreement and the Affiliation Agreement contained elsewhere herein, the following is a brief summary of certain provisions of the Indenture, the Lease Agreement, the Borrower Security Agreement and the Affiliation Agreement, which summary does not purport to be comprehensive or definitive. All summaries of provisions of the Indenture and the Lease Agreement are qualified in the entirety thereof by reference to the exact terms thereof as attached to as Appendices D-1 and D-2 hereto, and the form of Affiliation Agreement which is included in Appendix H hereto for the detailed provisions thereof. Capitalized terms used but not defined in the below summary of certain provisions of the Indenture, the Lease Agreement and the Affiliation Agreement have the meaning ascribed in the Indenture, the Lease Agreement and the Affiliation Agreement.

Pledge and Assignment of Trust Estate

As described on the cover page hereof, the Series 2024 Bonds are limited obligations of the Authority, payable solely out of revenues specifically pledged thereto. Pursuant to the Indenture, the following properties and interests, as assigned and pledged to the Trustee for the benefit and security of the owners of the Series 2024 Bonds, and constitute the “Trust Estate” for all purposes of the Bond Documents:

- (a) all right, title and interest of the Authority in and to the Authority Pledged Property (as defined below), as pledged to the Trustee pursuant to the Indenture;
- (b) all right, title and interest of the Borrower in and to the Pledged Revenues, as pledged to the Trustee pursuant to the Borrower Security Agreement;
- (c) all right, title and interest of the Borrower in and to the Collateral, as pledged to the Trustee pursuant to the Borrower Security Agreement;
- (d) all right, title and interest of the Authority, the Borrower and the University in and to any Net Proceeds of insurance or condemnation, subject to the provisions of the Lease Agreement and the Indenture with respect to the application thereof;
- (e) the Leasehold Mortgage; and
- (f) all Remedy Proceeds.

Further, in order to secure the payment of the Series 2024 Bonds and the performance of the covenants contained in the Indenture, the Authority will pledge, assign and grant to the Trustee a continuing security interest in the “Authority Pledged Property” which consists of:

- (a) All the right, title, and interest of the Authority in and to the Pledged Revenues;
- (b) All right, title and interest of the Authority in and to the money and Permitted Investments on deposit in, or forming a part of, the Indenture Funds, subject to the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions of the Indenture;
- (c) All right, title and interest of the Authority in and to the Lease Agreement (except for Unassigned Rights), and all Lease Payments to be made, and all powers, privileges, options and other benefits of the Authority, pursuant thereto; provided, however, that nothing contained in this section of the Indenture as described under this caption “—Pledge and Assignment of Trust Estate” will impair or diminish any obligation of the Authority under the Lease Agreement or impair or diminish the right of the Authority to enforce compliance with the obligations of the Borrower under the Lease Agreement; and
- (d) All the right, title, and interest of the Authority in and to all money, securities and interest earnings thereon from time to time delivered to and held by the Trustee under the terms of any of the Security

Documents (excluding money on deposit in the Rebate Fund) and all other rights of every name and nature and any and all other property, rights and privileges from time to time thereafter by delivery or by writing of any kind conveyed, mortgaged, pledged, delivered, assigned, hypothecated or transferred as and for additional security under the Indenture by the Authority or by any Person or with its written consent to the Trustee, which is hereby authorized to receive any and all such property at any and all times and to hold and apply the same subject to the terms of the Indenture.

The Authority Pledged Property is granted to the Trustee in trust for the benefit, security, and protection of all present and future Owners of the Series 2024 Bonds from time to time issued under and secured by the Indenture without privilege, priority, or distinction as to the Lien or otherwise of any of the Series 2024 Bonds over any of the other Series 2024 Bonds, subject at all times to the rights of the Trustee pursuant to the Indenture.

Unless an Event of Default shall occur and be continuing, the Borrower will be permitted to possess and use the Security (as such term is defined in the Indenture) (except cash, securities, and other personal property deposited with the Trustee) and receive and use the revenues, issues, profits, and other income of the Security (except cash, securities, and other personal property required to be deposited with the Trustee).

Because of certain risks associated with granting a security interest in collateral of the nature described above, prospective purchasers should not rely solely upon such collateral as providing security for the Series 2024 Bonds. See “CERTAIN BONDHOLDERS’ RISKS—Pledge and Assignment of, and Grant of Security Interest in, Future Revenues” herein.

Pledged Revenues; Borrower Security Agreement

As security for the obligations of the Borrower to the Authority under the Lease Agreement, the Borrower will, subject only to Permitted Encumbrances, pledge, assign and grant to the Trustee a continuing security interest in the “Collateral”, which includes the Pledged Revenues, pursuant to the Borrower Security Agreement.

“*Collateral*” is defined in the Borrower Security Agreement to mean, in summary: (a) all Pledged Revenues, including: (i) all gross receipts and operating and non-operating revenues derived by the Borrower from the operation or ownership of the Series 2024 Project (other than contributions), (ii) all right, title, and interest of the Borrower in and to the Affiliation Agreement, all accounts and funds established pursuant thereto, all NFRA Payments to be made by the University pursuant thereto, and all rights and remedies of the Borrower thereunder, (iii) all right, title, and interest of the Borrower in and to the Management Agreement, all accounts and funds established pursuant thereto, all payments of “Revenue” (as defined in the Management Agreement) to be made by the Manager pursuant thereto, and all rights and remedies of the Borrower thereunder, (iv) all right, title, and interest of the Borrower in and to any Net Proceeds of insurance or condemnation, subject to the provisions of the Bond Documents with respect to the application thereof, (v) all right, title, and interest of the Borrower in and to the Unrestricted Contributions; (b) all right, title, and interest of the Borrower in and to the University Collateral Assignment, the University Pledged Property, and all rights and remedies of the Borrower with respect thereto; (c) all agreements between the Borrower and any Person rendering services or supplying material in connection with the development, design, or construction of the Series 2024 Project; (d) all surveys and permits relating to the acquisition, construction, renovation, or development of the Series 2024 Project; (e) all warranties and guaranties covering any appliances and fixtures now or hereafter located on or placed on the Series 2024 Project; and (f) all proceeds of any and all of the foregoing and, to the extent not otherwise included, all payments under insurance (whether or not the Trustee is the loss payee thereof), or any warranty or guaranty, payable by reason of damage, loss, or otherwise with respect to, any of the foregoing.

“*Pledged Revenues*” is defined in the Indenture to mean, for any period the sum of the (a) gross receipts and operating and non-operating revenues derived by the Borrower from the operation or ownership of the Series 2024 Project (other than contributions), including without limitation the Lease Payments, the NFRA Payments received by the Borrower from the Affiliation Agreement, and all revenues received by the Borrower from the Management Agreement, all as pledged to the Trustee pursuant to the Borrower Security Agreement; (b) Net Proceeds of insurance; (c) Unrestricted Contributions, but excluding in any event the sum of (i) earnings on amounts that are irrevocably deposited in escrow to pay the principal of or interest on Indebtedness, and (ii) any security deposits received from occupants of the Series 2024 Project and held by the Borrower until such time, if any, as the Borrower is permitted to

apply such deposits to the payment of rent or to the repair and maintenance of the Series 2024 Project in accordance with the terms of a lease or residency agreement; (d) earnings or gains resulting from any reappraisal, revaluation, or write-up of assets; and (e) any unrealized gain resulting from changes in the value of investment securities.

Leasehold Mortgage, Fixture Filing, and Assignment of Rents and Subleases

As additional security for the obligations of the Borrower to the Authority under the Lease Agreement, the Borrower will execute and deliver to the Trustee the Leasehold Mortgage pursuant to which the Borrower will, subject to Permitted Encumbrances, grant to the Trustee a continuing security interest in all right, title, and interest of the Borrower pursuant to the Lease Agreement and to the following (collectively, and all as more particularly described and defined in the Leasehold Mortgage, the “Mortgaged Property”): (a) the Property; (b) the personal property and fixtures attached to the Leasehold Mortgage and all other personal property and fixtures located on the Property; (c) all Condemnation Awards, all right, title, and interest of the Borrower in and to any insurance proceeds with respect to any damage to or destruction of the Mortgaged Property; and (d) all written or oral leases or other agreements for the use or occupancy of all or any portion of the Mortgaged Property with respect to which the Borrower is the lessor or in which the Borrower has a leasehold interest therein (collectively, the “Leases”), and the immediate and continuing right to collect and receive all the rents, income, receipts, revenues, issues, and profits now due or that may become due, arising or issuing from or out of the Leases or from or out of the Mortgaged Property. The lien created by the Leasehold Mortgage is subject to the rights of the University as the fee simple owner of the Property and the Leasehold Mortgage does not constitute a lien on the University’s fee simple interest in the Property. Because of certain risks associated with pledging, assigning, and granting a security interest in collateral of this nature, prospective purchasers should not rely upon such collateral as providing any significant security for the Series 2024 Bonds. See “CERTAIN BONDHOLDERS’ RISKS—Pledge and Assignment of, and Grant of Security Interest in, Future Revenues” herein.

University Financial Support - NFRA Payments

Capitalized terms used but not defined in the below summary of certain provisions of the Affiliation Agreement have the meaning ascribed in the Affiliation Agreement. For reference, the Borrower is referred to as the “Owner” in the form of Affiliation Agreement attached hereto as APPENDIX H.

Pursuant to the Affiliation Agreement, the University will help financially support the Series 2024 Project with New Facilities Rental Allocation Payments (“NFRA Payments”). Commencing on September 18, 2025, throughout the term of the Affiliation Agreement, the University will make NFRA Payments to the Borrower for deposit with the Trustee as part of the Pledged Revenues securing the Series 2024 Bonds pursuant to the Indenture and the Affiliation Agreement and described as follows:

(a) on or before September 18 (or the immediately preceding Business Day) in 2025 and in each year thereafter, a NFRA Payment in an amount equal to fifty percent (50%) of the amount necessary to cause the Projected Fixed Charges Coverage Ratio for the then-current Annual Period to be not less than 1.20;

(b) on or before March 18 (or the immediately preceding Business Day) in 2026 and in each year thereafter, a NFRA Payment in the amount, if any after taking into account the amount paid on the preceding September 18, necessary to be paid on such date to cause the Projected Fixed Charges Coverage Ratio for the then-current Annual Period ending June 30 to be not less than 1.20; and

(c) (C) on or before June 18 (or the immediately preceding Business Day) in 2026 and in each year thereafter, a NFRA Payment in the amount, if any after taking into account the amounts paid on the preceding September 18 and March 18, necessary to be paid on such date to cause the Projected Fixed Charges Coverage Ratio for the then-current Annual Period ending June 30 to be not less than 1.20.

The University is to cause the Manager to provide to the University: (a) on or before September 1 in 2025 and in each year thereafter (i) a financial statement for the Student Housing Facilities for the then-current Annual Period, (ii) a determination of the Projected Fixed Charges Coverage Ratio for the then-current Annual Period, and

(iii) if the Projected Fixed Charges Coverage Ratio is less than 1.20, the amount of the NFRA Payments to be made on the next succeeding September 18 and March 18 to cause the Projected Fixed Charges Coverage Ratio to be not less than 1.20; (b) on or before March 1 in 2026 and in each year thereafter (i) a financial statement for the Student Housing Facilities for the then-current Annual Period, and (ii) an updated determination of the Projected Fixed Charges Coverage Ratio for the then-current Annual Period, and (iii) if the updated Projected Fixed Charges Coverage Ratio is less than 1.20, the amount of the NFRA Payment to be made on the next succeeding March 18 to cause the Projected Fixed Charges Coverage Ratio to be not less than 1.20; and (c) on or before June 1 in 2026 and in each year thereafter (i) a financial statement for the Student Housing Facilities for the then-current Annual Period, (ii) an updated determination of the Projected Fixed Charges Coverage Ratio for the then-current Annual Period, and (iii) if the updated Projected Fixed Charges Coverage Ratio is less than 1.20, the amount of the NFRA Payment to be made on the next succeeding June 18 to cause the Projected Fixed Charges Coverage Ratio to be not less than 1.20. See “AFFILIATION AGREEMENT” herein.

“*Projected Fixed Charges Coverage Ratio*” means the Fixed Charges Coverage Ratio projected on the dates set forth in Sections 7(f)(ii)(a), (b), and (c) of the Affiliation Agreement as described in the paragraph immediately above, to be realized during an Annual Period.

“*Fixed Charges Coverage Ratio*” is defined in the Lease Agreement to mean, for any period, the ratio of Revenue Available for Fixed Charges to Fixed Charges. “*Revenue Available For Fixed Charges*” means, for any period, the excess of Revenues over Expenses, plus, to the extent that the same is included as an Expense, (a) any extraordinary expenses (including without limitation losses on the sale of assets other than in the ordinary course of business and losses on the extinguishment of debt or termination of pension plans), (b) the repayment of the principal amount of any Indebtedness, (c) interest on Indebtedness other than Short-Term Indebtedness, (d) depreciation, and (e) amortization. “*Fixed Charges*” means, for any period, the sum of all cash outflows related to the Series 2024 Project that the Borrower cannot avoid without violating long-term contractual or legal obligations (those obligations that extend for a period greater than one year), including, but not limited to, (a) interest on Indebtedness other than Short-Term Indebtedness and (b) scheduled payments of principal on Indebtedness other than Short-Term Indebtedness (each, a “*Fixed Charge*”). “*Fixed Charges*” do not include any amounts payable in respect of any Indebtedness to the extent that such amounts are payable from the proceeds of such Indebtedness, any expenses expressly borne by the University under the Management Agreement.

The University covenants in the Affiliation Agreement that the University’s obligation to make NFRA Payments is absolute, irrevocable, and unconditional without regard to any claim of the University to any right of abatement, counterclaim, set-off, recoupment, or other claim or action the University may have against the Borrower, the Authority, or the Trustee and is to constitute a general obligation of the University payable from all lawfully available funds and revenues thereof. See “AFFILIATION AGREEMENT” herein and “APPENDIX H—FORM OF AFFILIATION AGREEMENT” attached hereto.

The Affiliation Agreement contains conditions to the University’s incurrence of Additional University Supported Obligations, including obligations similar to the NFRA Payments, as described in “AFFILIATION AGREEMENT—Additional University Supported Obligations” herein.

Outstanding Covered Parity Debt of the University; Cross Default

The University has covenanted and agreed in the Affiliation Agreement that: (a) the University will, in each calendar year, as a general obligation of the University, reserve and allocate funds of the University, and apply such funds, for the payment in each such calendar year, when due, of the principal of and interest on all Covered Parity Debt (as such term is defined in the Affiliation Agreement and described below) on an equal and proportionate basis and parity of lien without preference or priority of any obligation which constitutes a part of Covered Parity Debt over any other such obligation and without discrimination or priority among the Persons entitled to such payments, and (b) the University will undertake, and expressly provide, in each contractual agreement (of any nature or type), the foregoing covenant with respect to the assumption or incurrence of any Covered Parity Debt by the University, and (c) the University will forthwith deliver to the Trustee any notice of default or action to be taken in respect of an event of default, under any document which evidences Covered Parity Debt.

“Covered Parity Debt” will mean and include, without duplication: (a) all pecuniary obligations of the University to pay, or cause to be paid, all or any part of the principal of and interest on any revenue bonds issued by the Authority for the benefit of the University, including without limitation (i) all revenue bonds issued under the Restated Trust Indenture dated June 30, 2023 (in restatement of the Trust Indenture dated as of April 1, 1988) by the Authority and The Bank of New York Mellon Trust Company, National Association, as successor trustee, outstanding in the aggregate principal amounts set forth in the first table under the caption entitled “Outstanding Long-Term Debt of the University” in Appendix A-1 hereto, (ii) the Series 2024 Bonds, and (iii) the Series 2024AB Bonds issued concurrently herewith in aggregate principal amount of \$88,685,000* and (b) all items that would be classified as a liability in conformity with GAAP and which, on any date of determination, would be in excess of \$5,000,000 in principal amount and would constitute indebtedness incurred for the payment of borrowed money or the capitalized value of any liability under any lease of, or installment sale, or other agreement, for the purchase price of property, less and except (i) unsecured obligations incurred in the ordinary course of business, (ii) deferred compensation payables, (iii) any liability classified as a contingent liability in conformity with GAAP, (iv) any liability that matures by its terms (and is not renewable at the option of the University to a date later than) one year from the date of creation, (v) any liability the payment of which is effectively limited to certain assets without recourse to the University, and (vi) any liability which by its terms is effectively subordinated in right of payment to Covered Parity Debt.

Each Indenture of the Authority which provides for the issuance of revenue bonds by the Authority for the benefit of the University will provide that an event of default with respect to any Covered Parity Debt evidenced by any agreement or instrument will constitute an event of default under such Indenture.

The occurrence of an event of default under any of the Covered Parity Debt Documents (as defined in the Indenture) will be an Event of Default under the Indenture with respect the Series 2024 Bonds.

In addition to Covered Parity Debt, the University has other long-term debt obligations (collectively, the “Other Long-Term Debt Obligations”) as set forth in the first table under the caption entitled “Outstanding Long-Term Debt of the University” in Appendix A-1 hereto and as further described under the caption entitled “Outstanding Long-Term Debt of the University—*Other Long-Term Debt Obligations*” in Appendix A-1 hereto. Such Other Long-Term Debt Obligations are not included among Covered Parity Debt but are included as University indebtedness for purposes of calculating the Pro Forma Debt Service Coverage Ratio requirements applicable to the issuance of Additional University Supported Obligations, as described in “THE AFFILIATION AGREEMENT—Additional University Supported Obligations” herein.

Funds Held Under the Indenture

Capitalized terms used but not defined in the below summary of certain provisions of the Indenture have the meaning ascribed in the FORM OF THE INDENTURE attached hereto as APPENDIX D-1.

Revenue Fund. Under the Indenture, a Revenue Fund will be created and will be funded with, when and as received: (a) all Pledged Revenues delivered to the Trustee, provided, the Trustee is to deposit all Net Proceeds in the Insurance Fund or the Condemnation Fund, as appropriate; (b) all amounts required to be deposited in the Revenue Fund pursuant to any of the Bond Documents; (c) all amounts required to be deposited in the Revenue Fund pursuant to any of the Bond Documents; and (d) all amounts delivered to the Trustee by any Person with written directions to deposit such amounts in the Revenue Fund. Subject to the Indenture, the Trustee will apply all amounts deposited in the Revenue Fund, in the following order:

FIRST, the Trustee will deposit in each Account of the Bond Fund, on each Revenue Fund Distribution Date (defined in the Indenture to be the 20th day of each month), an amount equal to the lesser of the following, provided, no amount shall be deposited in an Account if the amount therein is equal to the Bond Fund Account Requirement therefor on such Revenue Fund Distribution Date: (a) an amount equal to the sum of (i) one-sixth (1/6th) of the interest which is to become due and payable on the series of Bonds for which such Account was established on the Stated Interest Payment Date which immediately succeeds such Revenue Fund Distribution Date; provided, with respect to the Stated Interest Payment Date that immediately succeeds the date of initial issuance of such series of Bonds, an amount equal to the interest which is to become due and payable on such Stated Interest Payment Date divided by the

* Preliminary; subject to change.

number of Revenue Fund Distribution Dates which occur between such date of issuance and such Stated Interest Payment Date; and (ii) one-twelfth (1/12th) of the principal which is to become due and payable on the series of Bonds for which such Account was established on the Stated Principal Payment Date which immediately succeeds such Revenue Fund Distribution Date; provided, with respect to the Stated Principal Payment Date that immediately succeeds the date of initial issuance of such series of Bonds, an amount equal to the principal which shall become due and payable on such Stated Principal Payment Date divided by the number of Revenue Fund Distribution Dates which occur between such date of issuance and such Stated Principal Payment Date; or (b) an amount equal to the amount by which the Bond Fund Account Requirement for such Account exceeds the amount then on deposit in such Account of the Bond Fund.

SECOND, the Trustee will pay to the Trustee, upon written request with appropriate invoice: (a) an amount equal to the annual fee of the Trustee for the Ordinary Services of the Trustee rendered and the Ordinary Expenses of the Trustee incurred, under the Bond Documents, as and when the same become due, (b) the reasonable fees and charges of the Trustee, as bond registrar and paying agent, and of any other paying agents on the Series 2024 Bonds for acting as paying agents as provided in the Indenture, as and when the same become due, and (c) the reasonable fees and charges of the Trustee for the Extraordinary Services of the Trustee rendered, and the Extraordinary Expenses of the Trustee incurred, under the Bond Documents, as and when the same become due; provided, that the Borrower may, without creating an Event of Default under the Indenture, contest in good faith the reasonableness of any such Extraordinary Services of the Trustee and Extraordinary Expenses of the Trustee and the reasonableness of any such fees, charges, or expenses.

THIRD, the Trustee will distribute to the Borrower, on each Revenue Fund Distribution Date, for deposit into the Operating Account an amount equal to the lesser of (a) the greater of (i) the amount budgeted in the Annual Budget for Operating Expenses of the Series 2024 Project for the immediately succeeding month and (ii) any amount necessary to meet the minimum balance requirement, which for purposes of the Indenture is to be an amount equal to ten percent (10%) of the Operating Expenses shown in the then current Annual Budget, or (b) the excess, if any, of (i) the amount budgeted in the Annual Budget for Expenses for the then current Fiscal Year over (ii) the amount theretofore deposited in the Operating Account pursuant to this subsection for the then current Fiscal Year.

FOURTH, the Trustee will deposit in the Rebate Fund and the Account(s) therein, on the dates on which the Borrower provides any calculation of the Rebate Amount to the Trustee as described under the caption “– Rebate Fund” below, the amounts determined by the Borrower to be equal to the excess, if any, of the Rebate Amount so calculated over the amount then in the Rebate Fund.

FIFTH, if any amounts are withdrawn from, or if there is diminution in Value of funds and investments (or if any net losses result from the investment of funds) held in, an Account of the Debt Service Reserve Fund for a series of Bonds, that reduce the Value of the funds and investments in such Account to less than the Debt Service Reserve Requirement therefor as of any Valuation Date, the Trustee will deposit in such Account of the Debt Service Reserve Fund, beginning on the Revenue Fund Distribution Date in the month following notice from the Trustee of such withdrawal, diminution in Value, or losses, and continuing on the Revenue Fund Distribution Date in each of the eleven (11) consecutive months thereafter, an amount equal to 1/12th of the amount of such withdrawal, diminution in Value, or losses, in all instances necessary to restore the amount in such Account of the Debt Service Reserve Fund to the Debt Service Reserve Requirement therefor.

SIXTH, beginning on the Revenue Fund Distribution Date in the month following any withdrawal to pay Debt Service on the Series 2024 Bonds and continuing on the Revenue Fund Distribution Date in each of the eleven (11) consecutive months thereafter, the greater of (a) the lesser of 1/12th of the amount of such withdrawal, or such amount that is necessary to reimburse the Repair and Replacement Fund for all such withdrawals, or (b) such amount as is to be directed in writing by the Borrower. Beginning on the Revenue Fund Distribution Date in the first month following the Completion Date of any part of the Series 2024 Project an amount in equal monthly installments necessary to equal the annual amounts (or portion thereof for the partial Annual Period in which such part of the Series 2024 Project is completed) set forth on Schedule 6.07(e) to the Indenture and any and all additional amounts required to be deposited therein following a Periodic Project Assessment in accordance with the section of the Indenture as described under the caption “– Repair and Replacement Fund” below.

SEVENTH, the Trustee will deposit in the appropriate Indenture Fund or Indenture Funds, other than the Operations Contingency Fund and the Surplus Fund, any and all additional amounts required to be deposited into such Indenture Fund or Indenture Funds by any amendment or amendments to the Lease Agreement executed in connection with the issuance of Additional Bonds on the date(s) specified therein (all as directed in writing to the Trustee by the Borrower).

EIGHTH, the Trustee will deposit in the Operations Contingency Fund all amounts which are on deposit in the Revenue Fund on the last Business Day of each month; provided no Event of Default has occurred and be continuing.

Bond Fund. Under the Indenture, a Bond Fund (the “Bond Fund”) is created and within the Bond Fund, a separate Account for each series of Bonds simultaneously with the issuance of such Bonds (including the Series 2024 Bonds). The amounts in each Account of the Bond Fund shall be allocated to, and applied only to pay the Debt Service on, the series of Bonds for which such Account was established.

In the Indenture, the Authority authorizes and directs the Trustee to credit to, or deposit in each of the Accounts of the Bond Fund, when and as received, pro-rata in proportion to the amounts available therefor, without preference or priority of any Account or series of Bonds over another, all amounts required to be deposited in the Bond Fund pursuant to the Indenture, any of the other Bond Documents or from any Person with written instructions to deposit such amounts in a specified Account of the Bond Fund.

The amount on deposit in, or credited to, each Account of the Bond Fund is to never exceed the Bond Fund Account Requirement therefor. Pursuant to the Indenture, the Trustee is authorized to apply the amounts in each Account of the Bond Fund to the payment of the Debt Service becoming due and payable on each Stated Interest Payment Date and each Stated Principal Date on the series of Bonds for which such Account was established, provided, if on any such payment date there are insufficient funds in any Account of the Bond Fund to pay Debt Service then due on the Bonds payable from such Account, the Trustee will transfer to such Account, pro-rata in proportion to the amounts available for such deposits in all Accounts for which such a deficiency exists, without preference or priority of any Account or series of Bonds over another, an amount equal to such insufficiency from the Indenture Funds in order of priority set forth in the Indenture.

Series 2024C Construction Fund and Series 2024D Construction Fund. Under the Series 2024C Supplemental Indenture, a construction fund (the “Series 2024C Construction Fund”) is created to be held and applied by the Trustee as provided in the Series 2024C Supplemental Indenture, and which is to consist of the following accounts created thereby: (a) the Issuance Costs Account; (b) the Capitalized Interest Account; (c) the Student Housing Project Account; and (d) the Parking Improvements Account. Under the Series 2024D Supplemental Indenture, a construction fund (the “Series 2024D Construction Fund”) is created to be held and applied by the Trustee as provided in the Series 2024D Supplemental Indenture, and which is to consist of the following accounts created thereby: (a) the Issuance Costs Account; (b) the Capitalized Interest Account; (c) the Student Housing Project Account; (d) the Parking Improvements Account; and (e) the Campus Development Account.

Pursuant to each Supplemental Indenture, the Trustee is to apply the funds of the applicable Construction Fund, without further authorization or direction by the Authority, the Borrower, or any other Person, upon receipt by the Trustee of the applicable requisition therefor in substantially the forms set forth in the applicable Schedules to each Supplemental Indenture, appropriately completed and properly executed.

Redemption Fund. The Redemption Fund is created under the Indenture and the Trustee is authorized, thereunder, to establish therein a separate Account within the Redemption Fund for (a) each series of Bonds simultaneously with the issuance thereof and (b) for any amounts transferred to the Redemption Fund from the Surplus Fund. The Trustee will credit to, or deposit in, each of the Accounts of the Redemption Fund, when and as received, pro-rata in proportion to the amounts available therefor, without preference or priority of any Account or series of Bonds over another, all amounts required to be deposited in the Redemption Fund pursuant to the Indenture. The

amounts in each Account of the Redemption Fund are to be allocated and applied to pay the Redemption Price on each date fixed for redemption of any series of Bonds.

Debt Service Reserve Fund. Under the Indenture, a debt service reserve fund (the “Debt Service Reserve Fund”) is created and with and within the Debt Service Reserve Fund a separate Account is to be created for each series of Bonds simultaneously with the issuance of such Bonds. The amounts in each Account of the Debt Service Reserve Fund for a series of Bonds is to be applied as provided in the Supplemental Indenture for such series of Bonds.

“*Debt Service Reserve Requirement*”* is defined in the Indenture to mean, for any series of Bonds on any date of determination, the amount established for the Account in the Debt Service Reserve Fund for such Bonds in the Supplemental Indenture which created such series of Bonds. Pursuant to the Series 2024C Supplemental Indenture, with respect to the Series 2024C Bonds, “Debt Service Reserve Requirement” means, (a) for the period beginning on the Date of Initial Delivery and continuing until and including October 1, 2043*, the amount of \$ 6,110,461.50*; and (b) for the period beginning on October 1, 2043* and continuing thereafter, the amount of \$12,859,000*, which amount is less than, or equal to the least of (i) the maximum amount of principal of and interest on the Series 2024C Bonds payable in any Fiscal Year, or (ii) 125% of the average annual (Fiscal Year basis) principal and interest requirements on such Series 2024C Bonds, determined in accordance with the Federal Tax Code, or (iii) 10% of the stated aggregate principal amount of such Series 2024C Bonds, determined in accordance with the Federal Tax Code. Pursuant to the Series 2024D Supplemental Indenture, with respect to the Series 2024D Bonds, “Debt Service Reserve Requirement” means the amount of \$6,748,538.50*

As further described in “– Revenue Fund – FIFTH” above, if any amounts are withdrawn from, or if there is diminution in Value of funds and investments held in, an Account of the Debt Service Reserve Fund the Trustee shall deposit in such Account of the Debt Service Reserve Fund an amount equal to 1/12th of the amount of such withdrawal, diminution in Value, or losses, in all instances necessary to restore the amount in such Account of the Debt Service Reserve Fund to the Debt Service Reserve Requirement therefor. replenish any withdrawals from the Debt Service Reserve Fund, or any deficiency related to a loss in valuation of investments, within twelve months after such withdrawal or valuation.

The Trustee is authorized and directed by the Indenture to transfer funds from an Account of the Debt Service Reserve Fund to the corresponding Account of the Bond Fund for the Bonds for which such Account of the Debt Service Reserve Fund was created as provided, and in the order of transfers, in the Indenture.

Repair and Replacement Fund. The Trustee shall create and maintain a repair and replacement fund (the “Repair and Replacement Fund”) under the Indenture. There will be deposited in the Repair and Replacement Fund any amounts required to be deposited therein under the Indenture, including the Repair and Replacement Fund Requirement, and any other amount available therefor and designated by the Borrower to be deposited therein.

Money on deposit in the Repair and Replacement Fund is to be disbursed by the Trustee, upon receipt of a requisition executed by an Authorized Borrower Representative, to pay the maintenance and repair costs related to the Series 2024 Project that the Borrower is obligated to pay under the Lease Agreement or, to the extent that the Net Proceeds are insufficient for such purposes, to the costs of restoration or replacement of the Series 2024 Project (or any portion thereof) under the Lease Agreement. Amounts deposited but not used in any year will remain in the Repair and Replacement Fund and continue to be available for the purposes authorized under the Indenture.

Insurance and Condemnation Funds. The Trustee shall create and maintain an Insurance Fund and Condemnation Fund under the Indenture to which funds are required to be deposited as provided in the Lease Agreement. Any amounts required to be deposited in the Insurance Fund or in the Condemnation Fund in accordance with the Lease Agreement will be deposited in the applicable Account thereof, and, prior to the occurrence of an Event of Default, any amounts in an Account of the Insurance Fund or the Condemnation Fund is to be used only to restore that portion of the Series 2024 Project in respect of which such Account was established, to acquire land and/or improvements in substitution for that portion of the Series 2024 Project in respect of which such Account was established, or to make payments on the series of Bonds in respect of which such Account was established. Upon the

* Preliminary; subject to change.

receipt of a requisition executed by an Authorized Borrower Representative, the Trustee shall apply amounts on deposit such Accounts of the Insurance Fund or the Condemnation Fund in accordance with the Lease Agreement.

Operations Contingency Fund. The Trustee shall create and maintain an Operations Contingency Fund under the Indenture and the Trustee will apply the funds in the Operations Contingency Fund to pay Expenses of the Series 2024 Project, and Capital Expenditures or repairs and replacements for the Series 2024 Project, that are not included in the Annual Budget, at any time and from time to time, upon receipt of a requisition for payment executed by an Authorized Borrower Representative. If there are insufficient funds in the Revenue Fund to make the deposits and transfers required by the Revenue Fund on any Revenue Fund Distribution Date, the Trustee may transfer funds to the Revenue Fund, prior to the use of any amount in any other Indenture Fund therefor, provided, however, upon requisition of the Borrower and certified by the University, the Trustee is permitted to withdraw funds from the Operations Contingency Fund to fund any expected shortfalls in amounts necessary to ensure a minimum balance requirement in the Operating Account that is consistent with the minimum balance requirement described under the caption “– Revenue Fund” above. On the last Business Day of each Annual Period, there may be retained in the Operations Contingency Fund an aggregate amount equal to: (a) the amount of pecuniary obligations of the Borrower incurred pursuant to the Bond Documents which are outstanding and unpaid and which the Trustee is to have received notice; and (b) an amount equal to twenty-five percent (25%) of the aggregate Expenses (budgeted for the next succeeding Annual Period). The Trustee shall transfer to the Surplus Fund the amount, if any, by which the amount of funds then on deposit in the Operations Contingency Fund exceed the amounts described (a) and (b) above.

Surplus Fund. Under the Indenture, a surplus fund (the “Surplus Fund”) is created and the Trustee is authorized and directed to transfer funds from the Surplus Fund as follows:

- (a) to the Revenue Fund if and to the extent there are insufficient funds in the Revenue Fund and the Operations Contingency Fund to make the deposits and transfers required by the Revenue Fund on any Revenue Fund Distribution Date;
- (b) to the Rebate Fund;
- (c) if, and to the extent, necessary to prevent an Event of Default under Section 7.01(1) of the Indenture, to transfer funds from the Surplus Fund to the Bond Fund as provided, and in the order of transfers, in section 6.04(d) of the Indenture, without requisition or instruction from any Person; and
- (d) to the University, pursuant to the Ground Lease, within fifteen (15) Business Days of receipt by the Trustee of (i) the annual financial statements and Audit Report for the most recently ended Annual Period that includes a calculation for the most recently ended Annual Period that indicates a Fixed Charges Coverage Ratio of at least 1.20 and (ii) written instructions to the Trustee from an Authorized Borrower Representative and approved by the University (which is to include specific information regarding the calculation of the Fixed Charges Coverage Ratio and the specific amounts to be transferred); provided, the Trustee is to determine before any such transfer is to be made that no Event of Default has occurred and be continuing; all amounts withdrawn from the Repair and Replacement Fund to pay Debt Service on the Series 2024 Bonds is to have been reimbursed in full; any amounts required to restore the Debt Service Reserve Fund to the Debt Service Reserve Requirement for each Account thereof are to have been paid in full; all amounts for any unbudgeted operating expenses, Capital Expenditures or repair and replacement of Equipment or other components of the Series 2024 Project that have been incurred for the Series 2024 Project are to have been paid in full; and (iii) all amounts then due and owing to each Series 2024 Bond are to have been paid in full; provided, however, to the extent any amounts in the Surplus Fund may not be transferred or distributed under this section of the Indenture as described herein, all such amounts will remain therein until such time as (A) the Borrower demonstrates, by the delivery of annual financial statements, an Audit Report, and an accompanying calculation, a Fixed Charges Coverage Ratio of at least 1.20 or (B) such funds are otherwise applied in accordance with this section of the Indenture.

Title and Property Insurance

An ALTA leasehold mortgagee’s title insurance policy will be delivered in the amount of not less than the original principal amount of the Series 2024 Bonds to ensure that the Trustee will have a valid first security title in

and to the Borrower's leasehold interest in and to the Property, subject only to Permitted Encumbrances and the standard exclusions from the coverage of such policy. Under such title insurance policy, the Trustee will not be permitted to recover more than the fair market value of any property that is lost as a result of a title defect. The Borrower will be required under the terms of the Lease Agreement to keep the Series 2024 Project fully insured against fire and other casualties and to maintain certain specified amounts of liability and business interruption insurance. See "FORM OF THE LEASE AGREEMENT" in Appendix D-2 hereto.

Rate Covenant

The Borrower covenants and agrees to operate the Project as revenue producing facilities along with related facilities, and to the extent permitted by Applicable law, and the Affiliation Agreement, to charge such fees and rates for its facilities and services and to exercise such skill and diligence as will provide Revenue Available for Fixed Charges, together with other available funds, in amounts sufficient: (a) to pay in full when due all Expenses; (b) to pay in full when due all Lease Payments; and (c) to produce a Fixed Charges Coverage Ratio of not less than 1.20 for the Annual Period ending June 30, 2026 and for each Annual Period thereafter.

In the event that it is determined, based on the financial statements and calculation of the Borrower required by the Lease Agreement, that for any Annual Period the Fixed Charges Coverage Ratio has not been maintained, the Borrower will within thirty (30) days of receipt of such financial statements, engage a Financial Consultant to submit to the Borrower, the University and the Trustee a report of such firm containing recommendations, if any, as to changes in the operating policies of the Borrower designed to maintain such Fixed Charges Coverage Ratio, will cause such Financial Consultant to prepare and submit such recommendations within sixty (60) days of the date of its engagement and will promptly implement such recommendations to the extent permitted by Applicable Law and the Affiliation Agreement. So long as (a) the Fixed Charges Coverage Ratio does not fall below 1.00, and (b) the Financial Consultant's recommendations are followed, no Event of Default will occur, provided, the Borrower is obligated to employ the Financial Consultant for such purpose until such rates, fees, and charges produce a Fixed Charges Coverage Ratio of at least 1.20 during the then current Annual Period.

The Borrower will, from time to time as often as necessary, to the extent permitted by Applicable Law and the Affiliation Agreement, revise the rates, fees, and charges aforesaid in such manner as may be necessary or proper so that the Revenue Available for Fixed Charges will be sufficient to meet the requirements of the Lease Agreement, and will take all action within its power to obtain approvals of any regulatory or supervisory authority to implement any rates, fees, and charges required by the Lease Agreement. See "FORM OF THE LEASE AGREEMENT" in Appendix D-2 attached hereto.

Additional Bonds

So long as no Event of Default exists under the Indenture and subject to the requirements thereof, Additional Bonds may be issued by the Authority at the written request of the Borrower to provide funds for any one or more of the following: (a) the costs of completing a Project; such modifications, repairs, renewals, improvements, replacements, alterations, additions, enlargements, or expansions in, on, or to the Project, including any and all machinery, furnishings, and equipment therefor as the Borrower deems necessary or desirable that will not impair the nature of the Project and will be located on the Property; (b) the costs of refunding (in whole or in part) any Bonds; (c) the costs of the acquisition, equipping, and construction of additional property and housing (including related buildings and ancillary facilities) to be utilized for the benefit of the University, including the acquisition of personal and real property; and (d) in each such case, the costs of the issuance and sale of the Additional Bonds and capitalized or funded interest for such period, the cost of funding a debt service reserve fund and such other costs reasonably related to the financing as shall be agreed upon by the Borrower and the Authority. Such Additional Bonds may be issued at parity with all Bonds Outstanding and thereafter issued, shall be secured by the lien and security interests granted by the Indenture, equally and ratably with all Bonds Outstanding thereafter issued. An amount equal to the Debt Service Reserve Requirement for any Tax-Exempt Bonds included in the Additional Bonds, if any, shall be deposited into the Debt Service Reserve Fund.

Except relating to completion bonds (including, in each case, the costs of issuance and sale of the Additional Bonds, capitalized or funded interest, the cost of funding a debt service reserve fund and such other costs reasonably related to the financing as agreed on by the Borrower and the Authority) the Borrower may not incur any additional

Indebtedness without evidence in the form of a Financial Consultant's report that (a) the Fixed Charges Coverage Ratio for the most recent Annual Period prior to the incurrence of such additional Indebtedness was at least 1.20, (b) the projected Fixed Charges Coverage Ratio for the first two full Annual Periods immediately succeeding completion of the financed additions or improvements to the Project by such additional Indebtedness would be at least 1.20 (including the proposed additional Indebtedness and revenues related thereto), and (c) to the extent applicable, the occupancy of the Project was at least 95% in the preceding Annual Period.

Any Additional Bonds shall be secured by the lien and security interests granted by the Leasehold Mortgage, the Borrower Security Agreement, the Lease Agreement, and the Indenture and shall be equal, without preference or priority, to the lien and security interest provided for the Bonds.

Annual Budget

The University will prepare the Annual Budget in accordance with the Affiliation Agreement. Each Annual Budget will be prepared in advance of the start of the applicable Annual Period and will include all monthly budgeted Expenses of the Series 2024 Project for such Annual Period. For the purposes of preparing each Annual Budget under the Lease Agreement Expenses will include any Subordinated Expenses expected to be incurred in such Annual Period, including all Subordinated Expenses as are necessary to ensure that the Fixed Charges Coverage Ratio for the Annual Period to which such Annual Budget relates will not be less than 1.20. If the Borrower fails to prepare the Annual Budget for any Annual Period, the Annual Budget for the immediately preceding Annual Period will continue in effect until the Annual Budget is prepared for the remainder of the applicable Annual Period, provided that Expenses are to be treated as Subordinated Expenses to the extent necessary to ensure that the Fixed Charges Coverage Ratio for the Annual Period to which such Annual Budget relates will not be less than 1.20. The Annual Budget may take into account any Operating Account Surplus anticipated to be held in the Operating Account at the end of the Annual Period immediately preceding the Annual Period for which the Annual Budget is being prepared.

To the extent that the Borrower deems it necessary at any time during any Annual Period, the Borrower may submit a revised Annual Budget to the Authority, the Trustee, and the University declaring that the revisions are necessary to operate or maintain the Series 2024 Project and setting forth the reasons therefor which revised Annual Budget will, for all purposes of the Lease Agreement, be deemed the Annual Budget for the remainder of the applicable Annual Period.

A copy of each Annual Budget or revised Annual Budget will be furnished to the Trustee and the University. The Annual Budget or revised Annual Budget will be accompanied by a certificate of the Borrower or the Manager to the effect that the Fixed Charges Coverage Ratio for the Annual Period to which such Annual Budget relates, based on the projected Revenues and Expenses set forth therein, and as determined under the Lease Agreement will not be less than 1.20.

In the event the Borrower fails to provide the certificate required by the Lease Agreement as described under this caption “– Annual Budget,” a Financial Consultant will be engaged by the Borrower to review and/or revise the Annual Budget and to so certify to the Trustee and the University and, to the extent such Financial Consultant revises the proposed Annual Budget, such revised Annual Budget will, for all purposes of the Lease Agreement and the other Bond Documents, be deemed the Annual Budget for the remainder of the applicable Annual Period.

Covenant Regarding Manager

The Borrower agrees that if the University ceases to serve as Manager, the Borrower will promptly employ, and at all times thereafter, employ, as the Manager a recognized manager of the Series 2024 Project acceptable to the University that then manages, and will have for the past five years managed, at least three thousand (3,000) beds of student housing. Prior to entering into a contract with any successor Manager, the Borrower will first deliver to the Trustee a Favorable Opinion of Bond Counsel.

Enforceability of Remedies

The realization of value from the real and personal property comprising the Series 2024 Project and from the other security for the Series 2024 Bonds upon any default will depend upon the exercise of various remedies specified by the Bond Documents. These and other remedies may require judicial actions, which are often subject to discretion and delay and which may be difficult to pursue. See “CERTAIN BONDHOLDERS’ RISKS – Limitations on Enforceability of Remedies” and “– Pledge and Assignment of, and Grant of Security Interest in, Future Revenues” herein. See also, Article 7 “Events of Default and Remedies” in “APPENDIX D-1 – FORM OF TRUST INDENTURE AS SUPPLEMENTED” attached hereto.

Indebtedness. Under the terms of the Lease Agreement, the Borrower represents and warrants that it has not incurred and will not incur, any Indebtedness (as defined in the Indenture), secured or unsecured, direct or indirect, absolute or contingent (including guaranteeing any obligation), other than the Bonds, or as contemplated or permitted in the Bond Documents.

Certain Covenants of the Borrower Under the Lease Agreement

Capitalized terms used but not defined in the below summary of certain provisions of the Lease Agreement under this caption have the meaning ascribed in the FORM OF THE LEASE AGREEMENT attached hereto as APPENDIX D-2.

The Borrower agrees that it will, at all times during the construction of the Series 2024 Project, cause the University to maintain in full force and effect builder’s risk – completed value form insurance insuring all buildings, structures, boilers, equipment, facilities, fixtures, supplies, and other property constituting the Series 2024 Project on an “all risk of loss or damage basis,” currently referred to as “special form,” including coverage for soft costs and lost rents due to covered damage and destruction prior to completion in an amount not less than the Maximum Annual Debt Service for the Bonds Outstanding for, including perils of fire, lightning, and all other risks covered by the extended coverage endorsement then in use in the State of Alabama to the full replacement cost of the Series 2024 Project, subject to policy sublimits. Such policy or policies of insurance will name the Authority, the Borrower, the Trustee, and the University as insureds, as their respective interests may appear, and will name the Trustee as mortgagee under a standard loss payable endorsement providing that no act or omission by the named insured will in any way prejudice the rights of the Trustee thereunder, and all Net Proceeds received under such policy or policies by the Borrower or the Authority will be paid over to the Trustee and deposited into the Insurance Fund to be applied to the restoration or completion of the Series 2024 Project or to the redemption of the Series 2024 Bonds in accordance with the provisions of Section 9.01 of the Lease Agreement. In addition, the Borrower will cause the University at all times during the construction of the Series 2024 Project to maintain or cause to be maintained by the Development Manager, the Contractor, and the Architect, as applicable (a) general liability, automobile liability, errors and omissions liability, and umbrella/excess liability insurance, all as required by the Development Management Services Agreements and the Construction Service Agreements and the Design Services Agreements, and (b) workers’ compensation insurance as required by law. Said insurance policy or policies will contain a provision that such insurance may not be canceled by the insurance provider thereof without at least 30 days’ advance written notice (10 days for non-payment of premium). The University will promptly forward any notice of cancellation received from an insurance carrier to the Borrower, the Authority and the Trustee. All such policies or copies thereof or certificates that such insurance is in full force and effect will be delivered to the Trustee at or prior to the delivery of each series of Bonds.

The Borrower agrees that it will cause the University to deliver or require the Contractor to deliver to the Trustee performance and labor and material payment bonds with respect to the Construction Agreement, and in the full amount thereof, made by the Contractor as the principal and a surety company or companies that is or are licensed to do business in the State of Alabama, rated at least “A” by S&P or “Excellent (A/A-)” by A.M. Best Company, Inc., and otherwise satisfactory and acceptable to the University and the Underwriters and name the Authority, the Borrower, the Trustee and the University as the obliges. The Borrower will cause all Net Proceeds received under said bonds to be deposited in the applicable construction fund for the part of the Series 2024 Project for which such bonds were obtained, or if received after the applicable Completion Date therefor, will be used to pay any obligation then owed by the Borrower under the Lease Agreement, and if any remaining amount of such Net Proceeds will be deposited into the Revenue Fund.

The Borrower will cause the University not to permit any mechanics' or materialmen's or other Liens to be perfected or remain against the Series 2024 Project for labor or materials furnished in connection with the construction of the Series 2024 Project, provided that it will not constitute an Event of Default on such Lien's being filed, if the Borrower will promptly notify the Trustee of any such Liens, and the Borrower will in good faith promptly contest such Liens. The Borrower will cause the completion of the acquisition and construction of the Series 2024 Project to occur as promptly as practicable, with all reasonable dispatch, in a good and workmanlike manner.

The Authority agrees to grant such utility, access, and other easements over, across, and under the real property of the Authority as in the reasonable judgment of the Borrower is necessary for the construction and operation of the Series 2024 Project.

Establishment of a Completion Date. The applicable Completion Date will be evidenced to the Trustee by a certificate of substantial completion signed by the Authorized Borrower Representative and the Authorized University Representative stating that, except for amounts retained by the Trustee for Costs of the Project not then due and payable as provided in the Lease Agreement, (a) construction of the Series 2024 Project has been completed substantially in accordance with the Plans and Specifications and all labor, services, materials, and supplies used in such construction have been paid or provided for, (b) all other facilities necessary in connection with the construction of the Series 2024 Project have been constructed, acquired, and installed substantially in accordance with the Plans and Specifications, and all costs and expenses incurred in connection therewith have been paid or provided for, and (c) a certificate of occupancy for the Series 2024 Project has been issued by appropriate local governmental authorities, if applicable. Notwithstanding the foregoing, such certificate may state that it is given without prejudice to any rights against third parties that exist at the date of such certificate or that may subsequently come into being. The Authorized University Representative will certify the matters covered by (a) and (b) above. It will be the duty of the Borrower to cause the certificate contemplated by this section of the Lease Agreement to be furnished as soon as the construction of the Series Project is substantially completed.

The Borrower's Obligation to Operate

Operation of the Series 2024 Project. The Borrower has no employees, and the Affiliation Agreement provides that the University will be responsible for the operation of the Series 2024 Project.

Annual Budget. The University will prepare the Annual Budget in accordance with the Affiliation Agreement. Each Annual Budget will be prepared in advance of the start of the applicable Annual Period and will include all monthly budgeted Expenses of the Series 2024 Project for such Annual Period. A copy of each Annual Budget or revised Annual Budget will be furnished to the Trustee and the University. The Annual Budget or revised Annual Budget will be accompanied by a certificate of the Borrower to the effect that the Fixed Charges Coverage Ratio for the Annual Period to which such Annual Budget relates, based on the projected Revenues and Expenses set forth therein, and as determined under Section 10.07 of the Lease Agreement will not be less than 1.20.

Taxes, Maintenance, Insurance and Utility Charges. Pursuant to the Lease Agreement, the Borrower is obligated to maintain the Series 2024 Project, as well as pay all taxes, insurance, and utility charges.

Insurance. The Lease Agreement requires that the Borrower maintain insurance at required levels for, among other things, title, property and casualty, flood, business interruption, liability (including automobile liability), and worker's compensation.

Facilities Condition Report; Repair and Replacement Fund Certification; Latent Defect Report.

(a) At least every five years following each Completion Date, the Borrower will file with the Trustee a certification accompanied by a written report following each Periodic Project Assessment for the Series 2024 Project. The Repair and Replacement Fund Requirement for the Series 2024 Project will be subject to adjustment upward or downward if so recommended in the Periodic Project Assessment report, and if so adjusted, the Borrower will provide the Authority and the Trustee with a revised Schedule 6.07 to the Indenture which revised Exhibits will, from and after the date of such recommendation, be deemed and treated as a supplement to the Indenture;

(b) The Borrower is to cause a Latent Defect Report to be prepared for the Series 2024 Project no later than two hundred seventy (270) days before the fifth anniversary of each Completion Date. If any latent and inherent defective items determined to have been present in the design and construction of the Series 2024 Project are identified in the Latent Defect Report, the Borrower will, in a prompt and timely manner, prepare and deliver an appropriate form of “Latent Defects Notice” to the University notifying it of such latent and inherent defective items and requesting that they take steps to effectively and immediately remedy such items (and in advance of the expiry of the fifth anniversary of the each Completion Date) to allow complete fulfillment of their contractual obligations with respect to the design and construction of the Series 2024 Project. The Borrower is to promptly deliver copies of the Latent Defect Report and any Latent Defects Notice to the Trustee.

Leasehold Mortgage Provisions

In addition to the description of certain provisions of the Leasehold Mortgage contained elsewhere herein, the following is a brief summary of certain provisions of the Leasehold Mortgage and does not purport to be comprehensive or definitive. Reference is made to the Leasehold Mortgage which is to be recorded in the Office of the Judge of Probate of Jefferson County, Alabama for the detailed provisions thereof. Capitalized terms used but not defined in the below summary of certain provisions of the Leasehold Mortgage have the meaning ascribed in the Leasehold Mortgage.

Event of Default. Any one or more of the following shall constitute an event of default (an “Event of Default”) under the Leasehold Mortgage: (a) default in the performance, or breach, of any material provision of any covenant or warranty of the Borrower in the Leasehold Mortgage, and the continuance of such default or breach for a period of thirty (30) days after a “notice of default” under the Leasehold Mortgage; (b) the loss, theft, damage or destruction of any uninsured material portion of the Mortgage Property, or the sale, transfer, pledge or encumbrance thereof; (c) the filing or recording of any federal or other tax lien against any of the Mortgage Property after period of contest in good faith as provided herein; (d) the interest of the Trustee in the Mortgage Property is to become endangered by reason of the enforcement of any prior lien or encumbrance thereon (other than Permitted Encumbrances); (e) the lien or security interest created by the Leasehold Mortgage is invalid or unenforceable as to any part of the Obligations or is invalid or unenforceable as to any part of the Mortgage Property; or the occurrence under any of the Bond Documents of an event of default (as defined in any thereof) and the expiration of the applicable grace period, if any, specified therein.

Foreclosure Sale. The Leasehold Mortgage shall be subject to foreclosure by the Trustee in accordance with the provisions of the Leasehold Mortgage.

Acceleration of Indebtedness. If an Event of Default exists, the Trustee, at its sole option, may give notice of such Event of Default and declare all of the Obligations to be forthwith due and payable, without presentment, demand, protest or further notice of any kind, all of which are by the Leasehold Mortgage expressly waived by the Borrower, and the Trustee may immediately enforce payment of all such amounts and exercise any or all of its rights and remedies under the Bond Documents and available at law or equity.

Rents and Leases. If an Event of Default exists, the Trustee, at its option, is to have the right, power and authority to exercise and enforce any or all of the following rights and remedies with respect to Rents and Leases (a) to terminate the license granted to the Borrower in the Leasehold Mortgage to collect the Rents, and, without taking possession, in the Trustee’s own name to demand, collect, receive, sue for, attach and levy the Rents; (b) to enter upon, take possession of, manage and operate the Mortgage Property or any part thereof for the account of the Borrower, make, modify, enforce, cancel or accept surrender of any of the Leases, remove and evict any sublessee, increase or reduce rents, decorate, clean and make repairs, and otherwise do any act or incur any cost or expenses the Trustee is to deem proper to protect the security of the Leasehold Mortgage, as fully and to the same extent as the Borrower could do if in possession, and in such event to apply any funds so collected to the operation and management of the Mortgage Property and payment of the Obligations in such order and amounts as the Trustee may choose; (c) to take whatever legal proceedings may appear necessary or desirable to enforce any obligation or covenant or agreement of the Borrower under the Mortgage.

THE AFFILIATION AGREEMENT

In addition to the description of certain provisions of the Affiliation Agreement contained elsewhere herein, the following is a brief summary of certain provisions of the Affiliation Agreement and does not purport to be comprehensive or definitive. The Affiliation Agreement contains provisions which include and relate to the Series 2024 Project of which is being finance with proceeds other than the Series 2024 Bonds. The below summary purports only to summarize certain terms as such terms relate to the Series 2024 Bonds and the Series 2024 Project and does not purport to describe any additional projects, improvements, or financings as such may be described under the Affiliation Agreement. Reference is made to the form of the Affiliation Agreement which is included in Appendix H hereto for the detailed provisions thereof. Capitalized terms used but not defined in the below summary of certain provisions of the Affiliation Agreement have the meaning ascribed in the Affiliation Agreement. The Borrower is referred to as the “Owner” in the Affiliation Agreement.

Term and Obligations

The University and the Borrower will enter into an Affiliation Agreement, dated the date of issuance of the Series 2024 Bonds (the “Affiliation Agreement”), which will remain in effect for as long as the Borrower leases the Series 2024 Project, unless earlier terminated as provided in the Affiliation Agreement or the earlier termination by written agreement of the parties to the Affiliation Agreement or if the debt on the Series 2024 Project is retired or redeemed prior to maturity.

University Support During Construction Phase. The University is to commence and pursue to Final Completion the development, design, construction, furnishing, installation and equipping of the Series 2024 Project on the Property and the Offsite Improvements, in accordance with the terms of Section 4 of the Affiliation Agreement (certain of its obligations with respect to the Development Services may be delegated or subcontracted in accordance with the Affiliation Agreement but regardless of such delegation or subcontracting the University remains fully obligated and liable for performance of the Development Services thereunder) whereby the University is to do the following:

(a) The University is to perform its obligations under the Construction Documents and is to Substantially Complete each Facility, including all Offsite Improvements related to such Facility, by the Guaranteed Date for each Facility set forth on Exhibit F to the Affiliation Agreement (as applicable to each Facility, the “Guaranteed Date”) at a total cost for the Series 2024 Project not to exceed the Total Development Cost set forth on Exhibit G to the Affiliation Agreement (the “Total Development Cost”), subject to Change Orders in accordance with Section 4(c) of the Affiliation Agreement. The University is to Finally Complete each Facility and its related Offsite Improvements within a reasonable time (but in no event more than 150 days) after the occurrence of Substantial Completion of such Facility. The University is to perform the Development Services with the objective of causing the Series 2024 Project to be developed and completed in a good and workmanlike manner, free and clear of all mechanics’, materialmen’s and similar liens, all in accordance with the terms of the Construction Documents, the Plans and Specifications, Article 6 of the Lease Agreement, and all applicable laws, rules, regulations, codes, and permits. The University is to cause the General Contractor for each Facility to construct the applicable Facility in accordance with the Construction Services Agreement for such Facility. All building materials for the Series 2024 Project and any Offsite Improvements must be new and of good quality in accordance with the Construction Documents and the Plans and Specifications.

(b) The University warrants, or is to cause to be warranted by the applicable General Contractor, that each Finally Complete Facility will be of first-class quality suitable for use by the Borrower for the intended purposes thereof and as an “ancillary improvement” (as defined in the Authorizing Act) and that all real and personal property provided for in the Plans and Specifications and Construction Documents is necessary or appropriate in connection with the Series 2024 Project.

(c) The University is to assign qualified staff to monitor, facilitate and provide oversight of the counterparties to the Construction Documents (the “Project Vendors”) to assure that the Project Vendors perform their respective obligations under the Construction Documents, performing work in accordance with the Plans and Specifications, and adhering to the Series 2024 Project Schedule set forth on Exhibit F to the

Affiliation Agreement (the “Project Schedule”) and the Development Budget set forth on Exhibit G to the Affiliation Agreement (the “Development Budget”) as required by, and subject to, the terms and provisions of the Affiliation Agreement. The University is to conduct regularly scheduled construction progress meetings, to which representatives of the Borrower will be invited to attend and participate. The University is to provide timely notification to the Borrower of any potential or actual deviations from the Plans and Specifications, Project Schedule, Development Budget or other material issues or concerns that could impact the delivery of the Series 2024 Project as required by the Affiliation Agreement.

(d) The University is to monitor compliance with the Development Budget and issue written construction progress reports monthly by the 25th of the month to Owner, compare actual costs incurred with those costs set forth in the Development Budget, and report on the progress of construction. The Development Budget includes a breakdown of the Development Budget between the individual construction and development budget for each Facility, as set forth on Exhibit G to the Affiliation Agreement (each, a “Facility Development Budget”).

(e) The University is to provide all furniture, fixtures, and equipment (“FF&E”) to be placed in the Series 2024 Project and order and arrange for the shipping of and installation of all FF&E as a cost of the Series 2024 Project. Such FF&E shall include, without limitation, that which is included in the Affiliation Agreement. Such FF&E (i) is to be new and of high quality and (ii) is to include all such items as are consistent with the minimum requirements set forth in the Bond Documents and the University’s standards for facilities similar to the Student Housing Facilities and the Parking Improvements, respectively;

(f) The University is to cause all necessary utilities to be provided to the Series 2024 Project and is to connect the Series 2024 Project to such utilities; and

(g) The University is to cause all the Offsite Improvements described on Exhibit K to the Affiliation Agreement to be constructed as a cost of the Series 2024 Project within the Construction Area described on Exhibit L to the Affiliation Agreement which is located on land owned by the University that is not part of the Property. The University is to own, operate, and maintain the Offsite Improvements at its sole cost and expense and not as an expense of the Series 2024 Project.

To the extent reasonably possible, development and construction of the Series 2024 Project is to be done so as to minimize disruption of the University’s operations. The University is to coordinate all construction activities with the appropriate departments of the University.

The University agrees to cooperate with the Borrower the Authority with respect to any exemptions from sales or use taxes which may otherwise be assessed or incurred in connection with the purchase of materials which are incorporated into the Series 2024 Project or Offsite Improvements (and together with any interest, fees, penalties or collection costs thereon with respect thereto collectively being referred to as, the “Sales Tax”). Without limiting the generality of the foregoing, the University is to obtain and provide to the General Contractor for each Facility a Borrower’s Sales Tax exemption certificate and is to cause the General Contractor to take such actions as are necessary to provide its own properly completed Sales Tax exemption certificate based upon the Borrower’s Sales Tax exemption certificate and to take advantage of applicable exemptions, all as may be required under applicable State law and regulations.

As a construction expense, Owner covenants and agrees to pay or cause to be paid, currently as they become due and payable in accordance with the terms of the Bond Documents, as the case may be, (a) all bills for labor, materials, insurance, and bonds, (b) all fees of Project Vendors and subcontractors, and (c) all other costs and expenses incident to any design, development, construction, installation, and equipping of the Series 2024 Project and the Offsite Improvements ((a) through (c) collectively, “Development Costs”) not to exceed the Total Development Cost. The University is to prepare and coordinate the submission of requisitions for payment of Development Costs in the forms required under the Bond Documents (“Draw Requests”), including applications and certificates for payment in accordance with the terms and provisions of the Bond Documents, as applicable, to the Borrower for their approval and signature, in such a manner as to cause to be paid, currently as they become due and payable in accordance with the terms of the Bond Documents, all Development Costs.

Prior to Final Completion, the University is to obtain and submit to the Borrower all certifications by the University and/or the Project Vendors required under the Bond Documents (all such certifications shall be expressly addressed to Owner), together with schedules, documents and copies of documents, permits and approvals, applications for payment, monthly progress reports, waivers of liens, and any other information required under the Bond Documents.

The University shall make and keep accurate records and accounts for the Series 2024 Project on an accrual basis and furnish reports of such records and accounts to the Borrower on a monthly basis. Such records and accounts shall be sufficient for financial statements in accordance with generally accepted accounting principles, consistently applied, to be prepared from them and comply with all requirements of the Bond Documents with respect to records and accounting. See “APPENDIX H—FORM OF AFFILIATION AGREEMENT” attached hereto.

Construction Delay Contingency. If Substantial Completion of either of the Student Housing Facilities has not occurred by the Guaranteed Date for such Student Housing Facility, irrespective of delays permitted or excused under the Construction Documents, and, as a result thereof, and, regardless of whether the University has used reasonable efforts to achieve timely completion of the construction of the Student Housing Facilities, and residents are unable to take occupancy in either Student Housing Facility on or before the Guaranteed Date for such Student Housing Facility, then the University shall provide and pay for the following services (the “Alternate Services”):

- (a) alternative housing (the “Alternate Housing”) for each Project Resident who cannot occupy the Student Housing Facilities because Substantial Completion of an applicable portion of the Student Housing Facilities has not been achieved by the date on which such resident was contractually entitled to occupancy (in each case, the “Project Resident Occupancy Date”), from the applicable Project Resident Occupancy Date until the applicable resident is able to legally occupy the applicable portion of the Student Housing Facilities;
- (b) moving from the Alternate Housing to the room or apartment within the Student Housing Facilities for which the Project Resident has contracted once such space becomes legally available for occupancy; and
- (c) regular shuttle service, or other means to pay for existing public transportation to and from the Campus for any Project Residents residing in Alternate Housing located outside the Campus.

The obligation of the University to provide Alternate Services will not affect the Residence Hall Agreement of any Project Resident which is to remain in full force and effect. Project Residents must pay, and the Borrower will use commercially reasonable efforts to collect, or to cause the Manager to collect, rentals in accordance with their Residence Hall Agreements during the time the University is providing Alternate Services, which rentals are to be deposited in accordance with the Bond Documents.

The University will be entitled to reimbursement for any costs of providing Alternate Services from the following: (a) any liquidated damages the University is able to collect under the Construction Documents and (b) the proceeds of any insurance award attributable to loss of rents as a result of a covered loss which delays Substantial Completion of the Student Housing Facilities.

University Support After Construction. The University will treat the Student Housing Facilities as part of its on-campus student housing program on an equal basis with its existing student housing facilities. To such end the University agrees to:

- (a) include the Student Housing Facilities in all information and marketing materials regarding student housing that it provides to students and prospective students, including providing information about the Student Housing Facilities on the University’s web site, referring students to the Student Housing Facilities, including the Student Housing Facilities in any housing lottery system it holds, and otherwise promoting the availability of the Student Housing Facilities in the same manner as its own student housing facilities;

(b) provide to students residing at the Student Housing Facilities the same services and access provided to students in the University's other housing facilities, including, without limitation, Residential Living programs, the University computer networks, and Campus transportation system;

(c) operate and manage the Parking Facility on par with other parking facilities on the Campus;

(d) not construct or otherwise sponsor any additional housing facilities for University students ("Additional Student Housing") unless the following requirements are first satisfied: (i) the Series 2024 Project has maintained a minimum Fixed Charges Coverage Ratio of at least 1.20 as required and as reported in audited financial statements if, as and when, available; (ii) the University delivers to Owner and the Trustee a written certification projecting (with supporting calculations) that the Series 2024 Project is projected to maintain for the remaining term of the Bonds a minimum Fixed Charges Coverage Ratio of at least 1.20 following the date the Additional Student Housing is to be placed into service when taking into account the Additional Student Housing; (iii) the construction of the Additional Student Housing is supported by a demand study from an independent consultant approved by the University and the Owner concluding that sufficient demand exists for the additional number of beds to be constructed so as not to have a material adverse effect on the Student Housing Facilities; and (iv) no Event of Default exists under the Lease Agreement. To the extent the Series 2024 Project has not been operational for at least two (2) Annual Periods, only clauses (ii), (iii), and (iv) in this paragraph shall apply. The above notwithstanding, the University may renovate or replace any existing facility at any time so long as the total number of available beds remains substantially similar to its current stock of beds as exists at the time of the proposed renovation/replacement. Further, this provision shall not apply to the development of privately owned housing constructed on property owned by the University, which is neither designed nor marketed specifically as University student housing;

(e) make student housing room assignments for the Student Housing Facilities consistent with the University's existing policies and procedures regarding roster management, including, for example, making room assignments consistent with student facility and roommate requests, based on housing deposit dates, and then matching, to the extent practicable, similar open bed space when specific requests cannot be accommodated;

(f) if the Borrower is required to engage a Financial Consultant pursuant to the Bond Documents, cooperate with the Borrower in implementing the recommendations of such Financial Consultant relating to the operation and management of the Series 2024 Project;

(g) to the extent permissible by law, maintain and diligently enforce with respect to the Student Housing Facilities its then current policies regarding withholding of grades, transcripts, and/or registration in the event of delinquencies in the payment of fees under the Residence Hall Agreements;

(h) ensure that the Student Housing Facilities, the Parking Facility, and the Property are to be subject, at all times during the term of the Affiliation Agreement, to the jurisdiction of the University's police department to the same extent that such jurisdiction exists elsewhere on the Campus;

(i) assist Borrower with its continuing disclosure obligations by providing it with such information about the University or the Series 2024 Project that Borrower may need to comply with any such obligations, including but not limited to demographic and statistical information about its enrollment, on-campus housing, and general financial stability and the occupancy rates for the Student Housing Facilities;

(j) in the event the Series 2024 Project is not being managed by the University, (i) implement procedures to assist students in applying for residence at the Student Housing Facilities, (ii) assist where possible in the collection of fees, (iii) where appropriate, facilitate the use of financial aid for permitted expenditures, (iv) permit the Borrower to advertise the Student Housing Facilities on the Campus and the University's website, and posting reasonably sized advertising literature on bulletin boards in the University's facilities that are available for public announcements, and (v) permit the Borrower to maintain space on the campus at a site determined by the University for a staffed display; and

(k) grant such utility access and other easements over, across, and under the real property of the University as in the reasonable judgment of the Borrower is necessary for the construction and operation of the Series 2024 Project.

NFRA Payments

Pursuant to the Affiliation Agreement, the University will help financially support the Series 2024 Project with New Facilities Rental Allocation (as previously defined, the “NFRA Payments”) that will be deposited in the Revenue Fund as part of the Pledged Revenues available for the purposes set forth in the Indenture, including for the payment of the Series 2024 Bonds. See “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2024 BONDS—University Financial Support—NFRA Payments” herein.

Additional University Supported Obligations

The University may not incur additional University Supported Obligations (excluding any increased NFRA Payments associated with Additional Bonds issued to complete the Series 2024 Project) without delivery of evidence of a Pro Forma Debt Service Coverage Ratio of at least 1.10 to 1.00. For purposes of this section:

(a) “*Annual Operating Cash Flow*” means the sum of (i) the increase (decrease) in net assets from operating activities plus any unrestricted and temporarily restricted gifts designated for future use as designated on the University’s financial statements from the most prior fiscal year, plus (ii) the depreciation and interest expense (other than interest on Nonrecourse Indebtedness incurred by a limited liability company or other special purpose entity of which the University is a member or a participant) from the same fiscal year, plus (iii) the University’s NFRA Payments on the Bonds and any other payments on the University Supported Obligations then outstanding from the same fiscal year, less (iv) the University’s Net Available Cash Flow on the Bonds and similar net available cash flow or surplus on any other University Supported Obligations from the same fiscal year;

(b) “*Average Operating Cash Flow*” means the average of the Annual Operating Cash Flow for the most recently completed three (3) fiscal years at the time of determination;

(c) “*Beneficial Use Assets*” means and includes all property (real, personal or mixed) which (i) the University is not assessed for ad valorem tax purposes or is not legally entitled to the possession or use of such property and (ii) the University determines that the use of such property by Persons other than the University provides special benefits and services (including without limitation facilities and services for amusement and entertainment, commercial retail or personal services, food service, hotel and lodging facilities, housing and parking) to and for the benefit of the students, employees, visitors, and constituents of the University and therefor is of benefit to the University in furtherance of the educational mission thereof;

(d) “*Nonrecourse Indebtedness*” means any Indebtedness secured by a Lien and liability for the payment of which is effectively limited to the Property subject to such Lien with no recourse, directly or indirectly, to any other Property of the University;

(e) “*Pro Forma Debt Service Coverage Ratio*” means the quotient of the Average Operating Cash Flow divided by the total of: (i) the University’s principal due plus interest expense (other than principal and interest due on Nonrecourse Indebtedness incurred by a limited liability company or other special purpose entity of which the University is a member or a participant) during the fiscal year in which the determination is made, (ii) to the extent not accounted for as debt and included in principal and interest payments above, the University’s NFRA Payments on the Bonds and any other payments on the University Supported Obligations then outstanding from the prior fiscal year less the University’s Net Available Cash Flow on the Bonds and any other University Supported Obligations from the prior fiscal year, and (iii) the maximum annual fiscal year payment obligation on the additional University Supported Obligations; and

(f) “*University Supported Obligations*” means and includes any contractual obligations of the University for the payment of the expenses of, and/or indebtedness incurred (by any Person), including but

not limited to any University indebtedness or payment obligation similar to the NFRA Payments to finance or re-finance, any Beneficial Use Assets. For the avoidance of doubt, University Supported Obligations would not include the entering into contracts relating to the purchase of standard and customary third-party services (such as hotel rooms, conference space, food service operations).

Parking Facility Operations

The University will have the exclusive right to use, operate, and occupy the Parking Facility in accordance with the terms and conditions of the Affiliation Agreement. Except for certain excluded costs relating to construction of the Parking Improvements, the University is obligated to pay any and all expenses incurred in connection with the use and operation of the Parking Facility, including all insurance premiums, maintenance costs, and operating expenses thereof. The University assumes complete responsibility and liability for the upkeep of the entire Parking Facility and will furnish services including, without limitation, water, gas, sewerage, electricity, heat, and telephone or other communication service. The University is obligated at all times during the term of the Affiliation Agreement to maintain in full force and effect the insurance for the Parking Facility. The University will obtain all approvals, licenses and permits required for the maintenance and operation of the Parking Facility as and when required under applicable law. The University is obligated to pay all Operating Expenses (as such term is more fully defined in the Affiliation Agreement) of the Parking Facility. The University will enter into and administer all service contracts required for the proper maintenance and operational aspects of the Parking Facility. If the University defaults in the fulfillment of any of its covenants and agreements set forth in the Affiliation Agreement, and if such default results in the occurrence of an Event of Default under the Lease Agreement, the Borrower shall have the right to pursue any of the various remedies set forth in Section 8(D) of the Affiliation Agreement. For further information, see “APPENDIX H—FORM OF AFFILIATION AGREEMENT” attached hereto.

Governance

Upon the execution of the Affiliation Agreement, the University is to be deemed to be a member of the Foundation and is to remain such a member until the termination of the Affiliation Agreement. The University warrants, represents, and agrees that at all times during the term of the Affiliation Agreement it is to be and remain an organization which is described in either Section 511(a)(2)(B) of the Federal Tax Code or Sections 501(c)(3) and 170(b)(1)(A)(ii) of the Federal Tax Code that is not a private foundation within Section 509 of the Federal Tax Code. Notwithstanding anything in the Affiliation Agreement or in the Foundation’s bylaws to the contrary, the University is to in no event be liable for any obligations of the Foundation or be required to perform any obligations or take any actions as a result of being a member of the Foundation.

THE DEVELOPMENT MANAGER AND THE DEVELOPMENT AGREEMENTS

The Development Manager

Landmark Development Services Company, LLC (“Landmark” or the “Development Manager”), is a real estate development company based in Madison, Wisconsin which will provide development management services during the design and construction phase of the Series 2024 Project. The Development Manager entered into three separate Development Management Services Agreements with the University, each dated as of January 1, 2024 (each a “Development Agreement” and, collectively, the “Development Agreements”), with respect to the Freshman Housing Facility, the Greek Housing Facility and the Parking Improvements.

Landmark will be responsible for acting as Development Manager in connection with the development, permitting, design, construction, equipping, furnishing, completion and delivery of the Series 2024 Project so that the Series 2024 Project is delivered on time and on budget in accordance with the terms of the Development Agreements.

For more than 20 years Landmark has experience developing iconic urban destinations built around the landmark places that anchor local communities, from sports and entertainment to academic, health care, transit, mixed-use and other civic projects. Landmark has utilized its status as a full-service real estate firm with experience in every aspect of development, investment, marketing, operation and management of complex real estate assets. Some of the projects where Landmark has acted in capacity as master developer or development manager include, but are not

limited to, Destination Medical Center (Rochester Minnesota), Lambeau Field (Green Bay, Wisconsin), US Bank Stadium (Minneapolis, Minnesota), MetLife Stadium (East Rutherford, New Jersey) and Fluno Center for Executive Education (Madison, Wisconsin).

Development Agreements

In addition to the description of certain provisions of the Development Agreements contained elsewhere herein, the following is a brief summary of certain provisions of the Development Agreements and does not purport to be comprehensive or definitive. The below summary purports only to summarize certain terms as such terms relate to the Series 2024 Bonds and the Series 2024 Project and does not purport to describe any additional projects, improvements, or financings as such may be described under the Development Agreements. Reference is made to the Development Agreements for the detailed provisions thereof. Capitalized terms used but not defined in the below summary of certain provisions of the Development Agreements have the meaning ascribed in the applicable Development Agreement.

Each Development Agreement sets forth certain terms and conditions relating to the development of the Freshman Housing Facility, the Greek Housing Facility and the Parking Improvements, as applicable. Pursuant to the Development Agreements, the Development Manager shall provide the University with the services as described in “—Development Manager Services” below as they relate to each of the Freshman Housing Facility, Greek Housing Facility and Parking Improvements. The Development Agreements provide that each Facility is to be developed, designed, permitted, constructed, furnished and equipped for a not to exceed amount, subject to the terms and conditions of each Development Agreement. For its services as Development Manager, the Development Manager will receive direct personnel expenses, a development management services fee, reimbursable expenses and Cost of Work as provided in the Development Agreements.

Pursuant to the University Collateral Assignment, the University will grant to the Borrower a continuing security interest in its rights under the Construction Contracts (as such term is defined in the Indenture), which will be consented to by the Development Manager, the Construction Manager, and the applicable Architect. Additionally, pursuant to the Borrower Security Agreement, the Borrower will grant a continuing security interest in its rights under the Construction Contracts to the Trustee. In the event of a default beyond any applicable notice and cure period under the Indenture or the Construction Contracts, the Trustee will be entitled to enforce performance of the Construction Contracts but will not be required to perform the obligations of the parties as set forth in the Construction Contracts.

Development Manager Services. Pursuant to the Development Agreements, the Development Manager’s role is to serve as an extension of the University’s staff for purposes of completing the Freshman Housing Facility, the Greek Housing Facility and the Parking Improvements, as applicable, bearing similar responsibility to that of the University’s direct management staff. In this capacity the Development Manager is providing the professional knowledge, experience and management functions of the personnel assigned to the Freshman Housing Facility, the Greek Housing Facility and the Parking Improvements, to assist the University in managing the development and construction of the Freshman Housing Facility, the Greek Housing Facility and the Parking Improvements, in accordance with the terms and conditions of Development Agreements. Pursuant to the Development Agreements, it is the intent of the parties that the Development Manager shall not assume any risk or liability on the Freshman Housing Facility, the Greek Housing Facility and the Parking Improvements other than as set forth in the Development Agreements. Pursuant to the Development Agreements, the Development Manager will be responsible for certain duties as described therein (the “Services”) including, but not limited to, the following:

Project Administration. The Development Manager shall assist the University in the assignment of responsibilities among and between the Project Participants and other service providers involved in the Series 2024 Project. The Development Manager will monitor and evaluate the performance of those firms and individuals under contract with the University. The Development Manager will assist in the solicitation of proposals for professional services, negotiation, and the award of primary contracts;

Master Project Budget. The Development Manager will assist the University in establishing, and thereafter periodically updating, the Master Project Budget for each of the Freshman Housing Facility, the Greek Housing Facility, and the Parking Improvements. The Development Manager will be responsible for monitoring and evaluating

the Master Project Budget for each of the Freshman Housing Facility, the Greek Housing Facility, and the Parking Improvements and providing periodic reports to the University on the Master Project Budget for each of the Freshman Housing Facility, the Greek Housing Facility, and the Parking Improvements;

Master Project Schedule(s). The Development Manager will assist the University in establishing a Master Project Schedule for each of the Freshman Housing Facility, the Greek Housing Facility, and the Parking Improvements, respectively, based upon schedule information received from the Project Participants under the applicable Development Agreement. The Development Manager will be responsible for monitoring and evaluating the Master Project Schedule for each of the Freshman Housing Facility, the Greek Housing Facility, and the Parking Improvements and providing periodic reports to the University on the respective Master Project Schedule. The Master Project Schedule for each of the Freshman Housing Facility, the Greek Housing Facility, and the Parking Improvements shall include Project Milestones and will identify the estimated duration of primary portions of the Work and Project critical path. The Development Manager will evaluate the Master Project Schedule for each of the Freshman Housing Facility, the Greek Housing Facility, and the Parking Improvements and phasing associated therewith to attempt to identify reasonable means of optimizing the sequencing and phasing of each of the Freshman Housing Facility, the Greek Housing Facility, and the Parking Improvements and the additional revenue opportunities associated therewith;

Procurement and Award. The Development Manager will review and evaluate proposals, bids and work authorizations and advise the University for the award of contracts, Subcontracts and Trade Contracts and service contracts involved with each of the Freshman Housing Facility, the Greek Housing Facility, and the Parking Improvements. The Development Manager will monitor the Construction Manager in the development of a Schedule of Values for reporting the Cost of the Work applicable to each of the Freshman Housing Facility, the Greek Housing Facility, and the Parking Improvements, respectively;

Project Communications. The Development Manager will facilitate communications among and between the Project Participants for each of the Freshman Housing Facility, the Greek Housing Facility, and the Parking Improvements and other parties involved with each of the Freshman Housing Facility, the Greek Housing Facility, and the Parking Improvements including, but not limited to, University internal departments, governmental agencies having jurisdiction over the Freshman Housing Facility, the Greek Housing Facility, and the Parking Improvements, the Architect (as applicable), Construction Manager, Consultants and Subconsultants, and community organizations;

Public and Regulatory Approvals. The Development Manager will assist the University in coordinating the activities of the Project Participants for each of the Freshman Housing Facility, the Greek Housing Facility, and the Parking Improvements as required to secure public and regulatory approvals required by governmental agencies having jurisdiction over each of the Freshman Housing Facility, the Greek Housing Facility, and the Parking Improvements;

Financial Management, Payment Procedures and Change Requests. The Development Manager will review and evaluate Applications for Payment submitted to the University for accuracy, clarity, and completeness. The Development Manager will make recommendations to the University for disbursements, retainage, and close-out of contracts and purchase orders. The Development Manager will establish and maintain a project financial management and accounting control system for each of the Freshman Housing Facility, the Greek Housing Facility, and the Parking Improvements. The Development Manager will coordinate the activities required to develop and maintain the financial management systems and procedures required for each of the Freshman Housing Facility, the Greek Housing Facility, and the Parking Improvements including processing of the Master Application for Payment for each of the Freshman Housing Facility, the Greek Housing Facility, and the Parking Improvements;

Development Advisory Services. The Development Manager will assist the University in its origination, organization and management of the complete design, build, finance, operation, and maintenance of each of the Freshman Housing Facility, the Greek Housing Facility, and the Parking Improvements and provide support in all key Freshman Housing Facility, Greek Housing Facility and the Parking Improvements related disciplines, including: consultation on formation of deal structure; consultation to the University on debt placement, capital structure, and alternative sources of financing; coordination of the University's preparation of structured finance plan; evaluation of public finance alternatives and conduit bond structuring by others; project related financial management; real estate development evaluation services; valuation modeling; financial analysis services; feasibility analysis services;

consultation to the University on market demand and related analysis; targeted business outreach program assistance; community development program assistance; targeted business technical assistance program; trade contract administration; FF&E consultation; public and community relations consultation and support;

Other Duties. The Development Manager shall perform other services as described in the Development Agreements. These duties may include coordination of activities involving the University and other Project Participants for each of the Freshman Housing Facility, the Greek Housing Facility, and the Parking Improvements as described in the applicable Development Agreement including administrative services during the design, construction, and commissioning of each of the Freshman Housing Facility, the Greek Housing Facility, and the Parking Improvements. The Development Manager will monitor value engineering reviews and related recommendations by the Construction Manager. The Development Manager will assist the University with change order/contract revision negotiations and related documentation, monitoring of the completion of each of the Freshman Housing Facility, the Greek Housing Facility, and the Parking Improvements, and the coordination of a turnover schedule for the orderly occupancy of each of the Freshman Housing Facility, the Greek Housing Facility, and the Parking Improvements by the University;

Third Party Beneficiaries. The Development Agreements state that: (a) the Development Manager and its affiliates are third party beneficiaries of all the promises made by the University in the Contract Documents; and (b) the University and its affiliates are third party beneficiaries of all of the promises made by the Development Manager in the Contract Documents. The rights of third-party beneficiaries as described therein are to be consistent with the Contract Documents and any amendments thereto. The responsibilities and liabilities of the University and the Development Manager, as the case may be, toward such third-party beneficiaries shall be consistent with the Contract Documents and any amendments thereto.

Limitation on Development Manager's Liability. Nothing contained in the Development Agreements or any of the Contract Documents, shall impose any liability or responsibility of the Development Manager to guarantee the Master Project Budget, Master Project Schedule, or the performance of any of the Project Participants including the Architect and its Subconsultants nor the Contractor and its Subcontractors. Except in the circumstances of the negligence, errors or omissions, or willful misconduct of the Development Manager, the Development Manager is not responsible or liable for any aspect of: (i) any work or services provided by any Consultants, (ii) the Design Services or the Architect's Work, (iii) the Construction Services or Contractor's Work (or any of the Subcontractors Work). The Development Manager shall not be responsible for testing or inspections of any portion of the Work or certifying, approving and/or accepting the testing or inspections by others for purposes of verifying conformity with the Contract Documents. However, the Development Manager must inform the University if it becomes aware of any fault or defect in the Work, any nonconformity of the Contractor's Work with the Contract Documents, or noncompliance with applicable law.

Development Manager's Authority. The University will provide a letter of authorization to all Consultants, Contractors, and Architects advising such parties that the Development Manager is acting as a duly authorized representative of the University and directing such parties to take direction from and communicate through the Development Manager for purposes of the University's involvement and responsibilities under the Contract Documents. The Development Manager has the authority to commit funds on behalf of the University, only for the Freshman Housing Facility, the Greek Housing Facility, and the Parking Improvements and strictly in accordance with the Master Project Budget for each Project as approved by the Borrower. Use of the applicable Project Contingency in an amount in excess of Fifty Thousand and 00/100 (\$50,000.00) Dollars (US) with respect to any single expenditure, or One Hundred Thousand and 00/100 (\$100,000.00) Dollars (US) in the aggregate during any single calendar month during the term of this Contract, shall require the prior written authorization of the University.

THE CONSTRUCTION MANAGER AND THE CONSTRUCTION SERVICES AGREEMENTS

The Construction Manager

General. Founded in 1946, the Robins & Morton Group (the "Construction Manager") is a privately held construction firm committed to making a lasting impact on the people and companies its partners with. Dedication to core values, coupled with a focus on innovation, enables the Construction Manager to attract and retain the best people, delivering exceptional results on every project. In the past ten years alone, the Construction Manager has completed

nearly \$10 billion in projects throughout the United States. These projects vary from major new hospitals and complex renovations to hospitality projects and a variety of other commercial work. Examples of higher education related projects include Chandler Center for Environmental Studies at Wofford College, the Student Recreation and Wellness Center at Auburn University and various renovations at Samford University. The Construction Manager is a general construction contractor and is licensed to do business in Alabama.

Construction Contracts. *In addition to the description of certain provisions of the Construction Contracts (defined below) contained elsewhere herein, the following is a brief summary of certain provisions of the Construction Contracts and does not purport to be comprehensive or definitive. The below summary purports only to summarize certain terms as such terms relate to the Series 2024 Bonds and the Series 2024 Project and does not purport to describe any additional projects, improvements, or financings as such may be described under the Construction Contracts. Reference is made to the Construction Contracts for the detailed provisions thereof. Capitalized terms used but not defined in the below summary of certain provisions of the Construction Contracts have the meaning ascribed in the applicable Construction Contract.*

The University entered into three separate Construction Services Agreements (individually a “Construction Contract” and, collectively, the “Construction Contracts”) with the Construction Manager, pursuant to which the Construction Manager has agreed to construct and deliver each of the Freshman Housing Facility, the Greek Housing Facility and the Parking Improvements, respectively. The Construction Contracts will obligate the Construction Manager to construct and deliver each of the Freshman Housing Facility, the Greek Housing Facility and the Parking Improvements, respectively, for a contract price not to exceed a guaranteed maximum price set forth in each Construction Contract equal to \$67,992,299 for the Freshman Housing Facility, \$22,153,140 for the Greek Housing Facility and \$17,534,573 for the Parking Improvements, respectively, subject to the clarifications, exclusions, and assumptions related to such guaranteed maximum price and adjustment as provided in each Construction Contract. The University will pay the Construction Manager for the costs of the work under each Construction Contract plus a fee equal to 3% of the cost of the work, all subject to the applicable guaranteed maximum price. Each guaranteed maximum price also includes allowances for certain items included in the scope of the construction work and a contingency available to the Construction Manager for unexpected expenses. The guaranteed maximum price may be adjusted for changes in the scope of the work, for costs in excess of stated allowances and for certain unforeseen conditions specified in the Construction Contracts. The Development Manager is to be an intended third-party beneficiary of the Construction Contracts and is entitled to directly enforce the terms and conditions thereof subject to certain notice requirements as provided in the Development Agreements.

Payment and Performance Bonds. The Construction Contracts require delivery of payment and performance bonds each in an amount equal to 100% of the guaranteed maximum price for the construction costs under the Construction Contracts meeting all statutory requirements in the State of Alabama and in form and substance satisfactory to the University, the Development Manager and other Indemnitees (as defined in the Construction Contracts). The Trustee will be named as an obligee on the payment and performance bonds.

All Subcontracts (excluding those for self-performed Work) shall require a Payment and Performance Bond or to be covered under the Construction Manager’s Subcontractor Default Insurance at 100% of the value of the Subcontract.

Liquidated Damages. For purposes of the Construction Contracts, the University and the Construction Manager have established a structure to address the Construction Manager’s damages for delays as described in each Construction Contract which shall be limited to liquidated damages of the University and shall be limited to the amount defined in each Construction Contract for each day beyond the Date of Substantial Completion (as discussed below). Nothing contained in the Construction Contract, shall in any manner limit the University or Construction Manager’s rights or ability to recover actual non-delay damages caused by a Subcontractor or any other Project Participant under contract with the Construction Manager and associated with the Construction Manager’s Work. The foregoing liquidated damages shall be in lieu of all other remedies that the University shall have either at law or in equity in the event of the Construction Manager’s delay.

Pursuant to the Construction Contract for the Greek Housing Facility, the Date of Substantial Completion is May 6, 2025, for the North Building thereof and July 22, 2025, for the South Building of the Greek Housing Facility. Beginning on the thirty-first (31st) day after May 6, 2025, for the North Building, and July 22, 2025, for the South

Building, the Construction Manager is to, subject to the provisions of the Construction Contract for the Greek Housing Facility, pay the amount of \$5,000 per day until Substantial Completion of the North Building or the South Building, as applicable, of the Greek Housing Facility is achieved.

Pursuant to the Construction Contract for the Freshman Housing Facility, the Date of Substantial Completion is June 25, 2025. Beginning on the thirty-first (31st) day after June 25, 2025, the Construction Manager is to, subject to the provisions of the Construction Contract for the Freshman Housing Facility, pay the amount of \$18,400 per day until Substantial Completion of the Freshman Housing Facility is achieved.

Pursuant to the Construction Contract for the Parking Improvements, the Date of Substantial Completion is July 21, 2025.

Changes. The Construction Manager shall not proceed with any changes in the Construction Manager's Work without prior written authorization from the University (acting through the Development Manager, up to its authority). The Construction Manager will assume any and all risks or liabilities, including non-payment for any such Work, associated with the Construction Manager proceeding with any of the Construction Manager's Work that is not administered in strict accordance with the Contract Documents. Each guaranteed maximum price may be adjusted for concealed or unknown conditions as provided in the Construction Contracts. The Construction Manager shall also be compensated for changes in the Construction Manager's Work necessitated by applicable regulatory changes.

Right To Stop Work. If the University does not issue a Certificate of Payment, through no fault of the Construction Manager, within fifteen (15) days after receipt of the Construction Manager's Application for Payment, or if the University does not make payment within thirty (30) after receipt of the Certificate for Payment, the amount certified by the University, or awarded by arbitration, then the Construction Manager may, within ten (10) additional days' written notice to the University, stop the Work until payment of the amount owing has been received. The Contract Time shall be extended appropriately, and the Contract Sum shall be increased by the amount of the Construction Manager's reasonable costs of shut-down, delay, and start-up which shall be accomplished in the applicable Development Agreement.

The Architects

Freshman Housing Facility Architect. The University has entered into an agreement with Perkins & Will, Inc., a Delaware corporation (the "Perkins & Will") relating to the relating to the Freshman Housing Facility. Perkins & Will is a global design firm with more than 80 years of experience, and is seen as an industry leader. Perkins & Will specializes in providing innovative and sustainable architectural solutions for a wide range of projects. With a strong emphasis on design excellence, Perkins & Will strives to create spaces that not only meet functional needs of their clients but also enhance the overall user experiences. Perkins & Will's experience extends across various sectors including commercial, residential, healthcare, education and cultural projects and they have a proven track record of delivering successful architectural designs that not only meet the aesthetic and functional goals but also prioritize sustainability and environmental responsibility.

Greek Housing Facility and Parking Improvements Architect. The University has entered into two separate Design Services Agreements with Davis Architects Inc., an Alabama corporation (the "Davis Architects") relating to the Greek Housing Facility and the Parking Improvements, respectively. Davis Architects is a nationally recognized architecture, design and planning studio located in Birmingham, Alabama with over 100 years of experience. Davis Architects has served as the architect on a wide mix of projects, including, but not limited to, residential/mixed use projects, athletic & recreation projects (Bryant-Denny Stadium North End Zone Expansion at the University of Alabama), and higher education facilities which include the Ralph W. Beeson University Center Renovation on the campus of the University and the College of Health Sciences (a 79,000 square foot (healthcare industry teaching facility).

MANAGEMENT OF SERIES 2024 PROJECT

The Manager and the Management Agreement

In addition to the description of certain provisions of the Management Agreement contained elsewhere herein, the following is a brief summary of certain provisions of the Management Agreement and does not purport to be comprehensive or definitive. The below summary purports only to summarize certain terms as such terms relate to the Series 2024 Bonds and the Series 2024 Project and does not purport to describe any additional projects, improvements, or financings as such may be described under the Management Agreement. Reference is made to the Management Agreement for the detailed provisions thereof. Capitalized terms used but not defined in the below summary of certain provisions of the Management Agreement have the meaning ascribed in the Management Agreement. For purposes of the below summary, unless otherwise specified, reference to the University is as Manager (as defined in the Management Agreement) and not the University (as defined in the Ground Lease).

The University and the Borrower will enter into a Management Agreement dated on or about the date of issuance of the Series 2024 Bonds. According to the Management Agreement, the Borrower will appoint the University as agent for the operation and management of the Series 2024 Project.

Licensing Responsibilities. The current form of housing agreements for Eligible Residents is attached to the Management Agreement (collectively, the “Housing Agreement”). The Manager will prepare all Housing Agreements in a form substantially similar to the rental agreements currently used by Manager with respect to Manager-owned housing and will cause them to be executed by the Eligible Residents.

Housing Income and Collections. The University will be responsible for the collection of all rents, charges, and other amounts receivable on the Borrower’s account in connection with the management and operation of the Student Housing Facilities (the “Revenues”). The University is to undertake to collect such amounts in a commercially reasonable manner consistent with existing policies, procedures, rules, and regulations of the University. Until transferred to the Trustee as provided in the Management Agreement, the University is to deposit all rents, charges and amounts in the University’s agency account in a restricted accounting fund designated “CHF - Horizons II Project – Revenues” (the “Revenues Accounting Fund”) in trust for the Borrower. The University is to deposit all rents and charges with the Trustee no less often than weekly for application in accordance with the Indenture. The University is to be responsible for the collection, deposit, and disbursements of advance reservation deposits (“Housing Deposits”) if required by the terms of the Housing Agreements. All Housing Deposits are to be deposited in a restricted accounting fund designated “CHF - Horizons II – Housing Deposits” (the “Housing Deposits Accounting Fund”) in trust for the Borrower and invested until applied in accordance with the Housing Agreement. To the extent Housing Deposits are to be applied to rent pursuant to the Housing Agreement, the University is to deliver as soon as administratively possible such forfeited Housing Deposit to the Trustee for deposit into the Revenue Fund provided for in the Indenture. The University will enforce compliance by each tenant in a commercially reasonable manner and in accordance with the University’s existing policies, procedures, rules, and regulations.

Additional Services and Obligations. Pursuant to the Management Agreement, the University agreed to cause the Student Housing Facilities to be maintained in good repair, including but not limited to cleaning, painting, decorating, plumbing, carpentry, HVAC, grounds care, and such other maintenance and repair work as may be reasonably necessary, in compliance with any applicable requirements of the Bond Documents and the Affiliation Agreement, all of which is to be paid by the University out of the Operating Account as an Expense, including amounts to be paid in accordance with the terms of the O&M Agreement. Incident thereto, the following provisions of the Management Agreement will apply: (i) Reasonable and customary attention will be given to preventive maintenance in accordance with the University’s existing practices, policies, procedures, rules, and regulations; (ii) if the University determines it to be necessary, the University will hire qualified independent contractors for the maintenance and repair of heating and air-conditioning systems, and for other repairs beyond the capability of its regular maintenance employees; (iii) the University will systematically and promptly receive and investigate all legitimate service requests from tenants and take such action thereon consistent with the University’s housing policies and procedures; and (iv) the University will acquire all materials, equipment, tools, appliances, supplies and services necessary for proper maintenance and repair of the Student Housing Facilities.

Terminations and Reassignments; Delay in Construction. Pursuant to the Management Agreement and the Affiliation Agreement, the University agrees that in the event the University fails to deliver the number of units of the Student Housing Facilities required by the Affiliation Agreement to be substantially complete by the date required thereunder and alternative housing is provided to Eligible Residents who have entered into Housing Agreements (“Affected Residents”), the University will require such Affected Residents to make all payments owed under their Housing Agreements and remit any payments received to the Trustee as required pursuant to Management Agreement; provided that Affected Residents assigned to alternate housing in other student housing facilities on the Campus are to only be required to pay the applicable rates charged by the University for such facilities. The University and the Borrower will adhere to the policies established by the University with regard to the University’s authority to approve early terminations of Housing Agreements for units in the Student Housing Agreements or reassignments of certain residents from one Student Housing Facilities on the Campus to another, it being the intent of the University and the Borrower that such policies will allow the University to have discretion to allow for (a) early terminations of Housing Agreements and/or certain refunds to residents on a case-by-case basis (and consistent with good industry practice) without the approval of the Borrower, and (b) transfers of a resident out of the Student Housing Facilities and into another Student Housing Facilities on the Campus on a case-by-case basis (and consistent with good industry practice) without the approval of the Borrower.

Marketing Plan. The University’s marketing efforts will be consistent with activities performed for other student housing facilities owned by the University. The cost of initial marketing and start-up activities are to be paid from and to the extent of funds on deposit in the Marketing Account of the Construction Fund. The University shall market the beds of the Student Housing Facilities on a basis consistent with the Annual Budget, Affiliation Agreement and the Bond Documents, and in accordance with the designated use of such Student Housing Facilities as established by the Manager. Costs of the marketing activities, following completion of the Student Housing Facilities, shall be an Expense.

Utilities and Services. The University will make timely arrangements or cause timely arrangements to be made for utilities and services such as water, electricity, telecommunications, natural gas, sewage, garbage collection services and landscape maintenance for the Series 2024 Project consistent with the Affiliation Agreement. The University is authorized to make such contracts for such utilities and services on behalf of the Borrower, if required by the Affiliation Agreement, as may be necessary to secure such utilities and services.

Annual Budget. The University shall provide, in consultation with the Borrower, a line-item operation and capital budget for the Series 2024 Project for each Annual Period (collectively, the “Annual Budgets” and each an “Annual Budget”) which shall set forth among other matters, usually contained in budgets of similar nature which includes (among other things): (a) the categories of anticipated Revenues and the projected amounts of each category of such General Revenues, (b) the amounts to be deposited to the Repair and Replacement Fund provided for in the Indenture during such Annual Period and the amounts contained therein as of the first day of such Annual Period plus any additional reserves deemed necessary by the University, (c) all anticipated capital expenditures and Asset Management Services to be paid out of the Repair and Replacement Fund provided for in the Indenture; (d) the projected reasonable amounts of all Expenses, including the University’s budgeted overhead and administrative costs; (e) the schedule of specific and mandatory rental amounts to be paid pursuant to the Housing Agreements which will be calculated to comply with any applicable covenants in the Bond Documents; (f) the anticipated Rent for the Student Housing Facilities; and (g) sufficient information to explain the basis for the budgeted General Revenues, capital expenditures and Expenses. With respect to the first Annual Period, the University is to submit to the Borrower the budget by May 15, 2025. Commencing with the second Annual Period and for each Annual Period thereafter, the University is to submit to the Borrower for their approval, a proposed Annual Budget by the May 15th prior to the commencement of each Annual Period. The Borrower is to give the University notice of its approval or disapproval within ten (10) business days following submission for approval.

From time to time during or in respect to an Annual Period, the University shall have the right to recommend that Borrower modify the Annual Budget with input from the Project Operations Committee, which amendment shall be subject to the Borrower’s consent. The University is to operate the Student Housing Facilities and make expenditures in connection with the Student Housing Facilities in accordance with the Annual Budget. The University is not to be obligated to expend its own funds to pay Expenses or other amounts contained in the Budget.

Employment of Personnel. The University will employ a staff, or, with prior written consent of the Borrower and as and to the extent permitted in the Management Agreement, contract with third parties, to lease, operate, maintain, collect rent and make the appropriate disbursements, as described in the Management Agreement, for the Student Housing Facilities, and will have full authority and complete supervision over the employment, discharge and performance of duties of all personnel used in the management, maintenance, operation, repair, and renting of the Student Housing Facilities. The University will have full authority and complete supervision over the employment, discharge and performance of duties of all personnel used in the management, maintenance, operation, repair, and renting of the Student Housing Facilities.

Term. The term of the Management Agreement (the “Term”) will be co-terminus with the term of the Ground Lease. However, the Management Agreement may be terminated earlier in accordance with the following conditions: (i) termination by the University by giving the Borrower one hundred twenty (120) days’ notice in writing, subject to further requirements in the Management Agreement; and (ii) any termination by mutual consent of the Borrower and the University shall be structured to be effective as of the end of a calendar month.

Insurance. The University is to provide such assistance to the Borrower as it reasonably requests, including facilitating payment of all premiums as an Expense, in order for the Borrower and/or the University to secure and maintain all insurance required under the Affiliation Agreement or the Bond Documents. The University is to be responsible for maintaining the following insurance in connection with all directly assigned personnel for the Series 2024 Project: (a) Workers’ Compensation/Employer’s Liability coverage on the University’s employees working on or about the Series 2024 Project as required by laws of the State of Alabama, (b) Employers’ Liability coverage for bodily injury by accident \$1,000,000 each accident, bodily injury by disease \$1,000,000 each employee and bodily injury by disease \$1,000,000 policy limit, including a waiver of subrogation in favor of the Borrower, (c) Employment Practices Liability including “third party liability or non-employment discrimination” in an amount not less than \$1,000,000 per claim, (d) Property Managers Professional Errors & Omissions coverage in an amount not less than \$1,000,000 per claim, and (e) Cyber Security Liability coverage in an amount not less than \$1,000,000 per claim.

The Facilities Manager and the Operation and Maintenance Agreement

In addition to the description of certain provisions of the O&M Agreement (defined below) contained elsewhere herein, the following is a brief summary of certain provisions of the O&M Agreement and does not purport to be comprehensive or definitive. The below summary purports only to summarize certain terms as such terms relate to the Series 2024 Bonds and the Series 2024 Project and does not purport to describe any additional projects, improvements, or financings as such may be described under the O&M Agreement. Reference is made to the O&M Agreement for the detailed provisions thereof. Capitalized terms used but not defined in the below summary of certain provisions of the O&M Agreement have the meaning ascribed in the O&M Agreement.

Johnson Controls, Inc., a Wisconsin corporation (the “Facilities Manager”) and the University will enter into an Operation and Maintenance Agreement (the “O&M Agreement”). According to the O&M Agreement, the services of the Facilities Manager include, but are not limited to, operation and maintenance services for the buildings, building systems, equipment, fixtures and other aspects of the Series 2024 Project (the “Services”). In addition, the Facilities Manager and the University will enter into an Installation Contract. Pursuant to the Installation Contract, the Facilities Manager will furnish and install certain technology infrastructure to be used in future operation and maintenance of the Series 2024 Project. The technology infrastructure includes fire extinguisher, fire alarm, fire sprinkler, mechanical equipment, telecommunication, security, and project management systems and equipment. The Facilities Manager shall commence performance of the work following receipt of a Notice to Proceed from the University. The work shall be considered substantially complete at the point in time at which the University may utilize the work for its intended purpose with only minor elements remaining uncompleted.

Operating Standards. The Facilities Manager represents in the O&M Agreement that it is experienced in the management, operation and supervision of similar properties to the Series 2024 Project. The Facilities Manager is to perform the Services (a) as required by the terms of the O&M Agreement and (b) otherwise in a commercially reasonable manner consistent with the standards of other buildings and facilities similar to the Series 2024 Project. Without limiting the requirements of the O&M Agreement, including the provisions of the Service Requirements and any other associated Schedules to the O&M Agreement, the Facilities Manager is to (a) manage matters and marshal

resources as required to respond to Events, including emergencies, and provide a high level of customer care; (b) provide Services that are integrated and coordinated with the delivery of other services by or on behalf of the University; (c) ensure a collaborative working relationship with the University; and (d) ensure that proper preparedness plans are updated and in place for storm, hurricane, fire, water surge events or any weather and/or natural related events; and provide the quality assurance and quality monitoring relevant to the Services in accordance with the O&M Agreement.

Performance of the Facilities Manager Duties. The Facilities Manager is to select, employ, pay, supervise and discharge all employees, independent contractors, and personnel reasonably necessary to perform the Services. All such employees, Subcontractors, and any other personnel engaged pursuant to the Facilities Manager's authority to perform under the O&M Agreement, in whole or in part, Services, shall be collectively referred to in the O&M Agreement as "Provider Personnel." The general scope of the Facilities Manager's maintenance and repair obligations with respect to the various components and systems of the Series 2024 Project are set forth in Schedule 2 (Service Requirements) and Schedule 3 (Responsible Matrix) to the O&M Agreement. The Facilities Manager is not to be responsible for or otherwise be obligated to repair or correct Defects. Upon discovering any Defects, the Facilities Manager is to notify the University. Such Defects is to constitute an Excused Performance Event, and the Facilities Manager's performance under the O&M Agreement is to be excused and the Facilities Manager is to be entitled to Change Relief pursuant to the O&M Agreement.

"*Defect*" is defined in the O&M Agreement to mean any design, engineering, software, drawings, components, tools, equipment, installation, construction, or workmanship furnished or performed by or on behalf of the University that (a) does not materially conform to the terms of the O&M Agreement; (b) is not free from defects or deficiencies in design, manufacture or workmanship; or (c) would adversely affect the Services, all as determined by reference to the degree of judgment and skill that is ordinarily possessed and exercised by nationally recognized professionals of good standing and who are performing work for projects located in the United States of America that are of similar scope, nature and complexity as the Series 2024 Project in a manner consistent with Applicable Law and equipment manufacturer's recommendations.

"*Excused Performance Event*" is defined in the O&M Agreement to mean any of the following, provided the Facilities Manager (a) notifies the University promptly following such occurrence and (b) uses commercially reasonable efforts to avoid or minimize the effects of such occurrence on the Facilities Manager's ability to meet the KPI: (i) Casualty; (ii) Vandalism; (iii) Force Majeure; (iv) any impact on Facilities Manager's ability to provide the Services due to an act or omission of any person other than Facilities Manager, a Subcontractor, or their respective employees or agents; (v) any representation or warranty by the University in the O&M Agreement that proves to have been inaccurate or untrue and, as a result, the provision of Services is impacted; (vi) any construction, alteration, misuse, or repair to the Property or the Series 2024 Project by any person other than Facilities Manager, a Subcontractor, or their respective employees or agents that impacts the performance of the Services; (vii) any limitation on Facilities Manager's right of ingress and egress to the Property or access to the Series 2024 Project or the areas within the Series 2024 Project necessary to perform the Services; (viii) any delay or impact to the Services associated with utilities; (ix) failure to timely procure issuance of any required Permit except to the extent that such Permit is a Provider Permit and Facilities Manager failed to act diligently in pursuing such Permit; (x) any Defects, including without limitation, correction, remedy or acceptance thereof, that impacts the performance of the Services; (xi) any requirement for Facilities Manager to utilize union labor; (xii) Facilities Manager's performance of Scheduled Maintenance in accordance with the terms, and subject to the limits of, the O&M Agreement and the Scheduled Maintenance Plan; (xiii) failure to meet or satisfy any of the obligations or responsibilities set forth in Schedule 9 (Interface Obligations); and (xiv) any other circumstance identified as an Excused Performance Event in the O&M Agreement.

Outsourcing. The Facilities Manager shall have the right to and may negotiate and enter into service and maintenance contracts with qualified third-party service providers as deemed appropriate by Facilities Manager in its reasonable discretion and in accordance with the O&M Agreement. Such third-party contracts are individually referred to as a "Subcontract" and collectively referred to in the O&M Agreement as "Subcontracts," and the service providers thereunder are individually referred to as a "Subcontractor" and collectively referred to in the O&M Agreement as "Subcontractors." The Facilities Manager is not to be required to obtain the University's prior approval or consent to engage any Subcontractor or enter into any Subcontracts. Upon the University's written request, Facilities Manager is to provide the University with (a) a list of all Subcontractors and Subcontracts, including the Services applicable thereto and (b) copies of all Subcontracts; provided the Facilities Manager is to have the right to reasonably redact

and otherwise exclude any portions of a Subcontract which contain pricing information and/or other information which the Facilities Manager reasonably deems to be confidential, privileged or proprietary, prior to delivery of a copy to the University.

Facilities Manager Operating Plans. Pursuant to the O&M Agreement, the Facilities Manager will draft, amongst other items, a Start-up Plan. For each year after the Commencement date of the Services, the Facilities Manager will draft an Annual Service Plan, Contingency/Crisis Management Plan and Facility Management Plan Submittal Schedule. The Start-up Plan is to include a comprehensive system of management controls relating to the delivery of the Services, a schedule identifying the tasks to be completed prior to the Commencement Date and the targeted completion dates of each task required to ensure that the Facilities Manager can commence delivery of the Services on the Commencement Date. Each Annual Service Plan to be made thereafter is to include an operational plan detailing the methods by which the Facilities Manager will deliver the Services, such that the Services comply with the O&M Agreement, provide a detailed organizational plan for staffing needs, include a quality assurance program, detail a training program, provide details of all maintenance undertaken in the prior year, and provide for, amongst other things, maintenance needs for the ensuing year, inventory, and critical parts lists.

Reports. The Facilities Manager is to maintain records with respect to the Services in accordance with Schedule 6 (Records Management) to the O&M Agreement and the Facilities Manager is to provide reports to the University in accordance with Schedule 2 (Service Requirements) to the O&M Agreement as further described as follows: the Facilities Manager is to prepare and deliver a performance monitoring report (the “Performance Monitoring Report”) to the University’s Representative within fifteen (15) Business Days after the end of each Billing Period during the term of the O&M Agreement.

Term. Upon the date set forth in a written Notice to Proceed from the University and agreed upon by the Facilities Manager (the “Commencement Date”) and continuing until the fifteenth (15th) anniversary of the Commencement Date, unless terminated earlier pursuant the terms of the O&M Agreement (the “Initial Term”); provided that, on such fifteenth (15th) anniversary of the Commencement Date and each fifth (5th) anniversary thereafter, if applicable (such date and each fifth anniversary thereof, a “Renewal Date”), the O&M Agreement shall be deemed to be automatically extended, upon the same terms and conditions, for successive periods of five (5) years (each, a “Renewal Term”) up to a maximum of thirty (30) total years, unless either Party provides written notice of its intention not to extend the term of the O&M Agreement at least six (6) months prior to the applicable Renewal Date (the Initial Term together with the Renewal Terms, if any, the “Term”). In the event University provides written notice of its intention not to extend the term of the O&M Agreement, University shall pay to Facilities Manager the Breakage Fee for Non-Renewal, as defined in the O&M Agreement.

If either the Facilities Manager or the University is in default under the O&M Agreement pursuant to Sections 8.1 or 8.2 thereof, respectively, beyond any applicable notice and cure periods set forth therein, then the non-defaulting party may, by giving written notice to the defaulting party, terminate the O&M Agreement as of a date specified in the notice of termination, which date is to be at least seven (7) days after the date of such termination notice.

Insurance. The Facilities Manager shall maintain or cause to be maintained, at its sole cost and expense (a) all legally required insurance coverage relating to its employees, including, but not limited to, Workers Compensation and Employers Liability; (b) “All Risk” property insurance on the Facility Manager’s personal property including but not limited to fixtures, furnishings, equipment, furniture, inventory and stock; (c) commercial general liability with a per occurrence limit of \$1,000,000 and \$2,000,000 general aggregate; and (d) business auto liability with a per accident limit of \$1,000,000 covering all owned, non-owned and hired vehicles used in connection with the Services. Pursuant to the O&M Agreement, the University is to maintain “All Risk” property insurance, Business interruption insurance, Auto Liability Insurance, Workers Compensation; Employer’s Liability, Commercial General Liability in the amounts set forth in the O&M Agreement.

THE BORROWER

General

CHF – Horizons II, L.L.C., is a single member limited liability company duly formed and validly existing under the laws of the State of Alabama. The Borrower was formed, by the filing of a Certificate of Formation with the Alabama Secretary of State on March 5, 2024, specifically for the purpose of the development, financing, construction, ownership, operation and disposition of the Series 2024 Project.

The Borrower is not expected to have any assets other than the Facilities and its leasehold interest in the Property pursuant to the Ground Lease. The sole member of the Borrower is the Collegiate Housing Foundation (the “Foundation”). The Borrower is treated as a “disregarded entity” of the Foundation for federal income tax purposes, meaning that its activities are deemed to be those of its sole member for federal income tax purposes. The Foundation, as the Borrower’s sole member, has executed a Limited Liability Company Agreement (the “Operating Agreement”), dated March 5, 2024, setting forth the purpose of the Borrower and vesting the management of the Borrower exclusively in the Foundation, as sole member.

The Foundation

The Foundation is a nonprofit corporation formed in 1996 under the laws of the State of Alabama. The Foundation is also an organization that is exempt from federal income tax pursuant to §501(c)(3) of the Federal Tax Code. It was organized and is operated exclusively for charitable and educational purposes including the purpose of assisting colleges and universities in providing housing for their enrolled students and otherwise assisting them in furtherance of their educational missions. The membership of the Foundation is comprised of those colleges and universities so assisted by the Foundation. To date, the Foundation has assisted 50 different colleges and universities with providing housing, including multiple housing facilities on some campuses. In assisting many of those colleges and universities, the Foundation has established other single member limited liability companies for the limited purpose of acquiring and financing student housing projects for such schools, none of which have any assets other than the particular project for which they were established or any obligations beyond the acquisition and financing of such particular project. Neither the Foundation nor any limited liability company established by the Foundation other than the Borrower will have any obligation with respect to the Series 2024 Bonds or under any of the Bond Documents.

The Foundation is governed by a Board of Directors elected by its members. The following individuals constitute the Board of Directors of the Foundation:

Name	Business Affiliation	Term Expires
William B. Givhan	President of the Foundation Former General Counsel and Chief Operating Officer of the Foundation	*
Leeman H. Covey	Secretary of the Foundation, Former President of the Foundation, Former Vice President of Finance, Spring Hill College, Mobile, Alabama	December 2027
John B. Hicks	Vice President of the Foundation, Senior Consultant, Academic Search, Inc., Former Executive Assistant to the Chancellor and Secretary of the Board of Trustees of the University of Alabama System	December 2025
Thomas M. Daly, Jr.	Director of the Foundation, Former Senior Vice President and Managing Director, Legg Mason Student Housing Public Finance Group	December 2024
Robert A. Shearer	Director of the Foundation, Professor Emeritus, University of South Alabama, Former Executive Assistant to the President, University of South Alabama	December 2027

* Mr. Givhan's term continues for as long as he serves as President of the Foundation.

NO RE COURSE AGAINST THE BORROWER'S MEMBER AND OFFICERS

No recourse under or upon any obligation, covenant, or agreement contained in the Lease Agreement, in any of the Bond Documents, or in any other documents delivered in connection with the issuance of the Series 2024 Bonds, or for any claim based thereon, or under any judgment obtained against the Borrower, or by the enforcement of any assessment or penalty or otherwise or by any legal or equitable proceeding by virtue of any constitution, rule of law or equity, or statute or otherwise or under any other circumstances, under or independent hereof, will be had against any incorporator, director, member, or officer, as such, past, present, or future of the Borrower or the Foundation, or any incorporator, director, member, or officer of any successor entity, as such, either directly or through the Borrower or any successor entity, or otherwise, for the payment for or to the Borrower or any receiver thereof, of any sum that may be due and unpaid by the Borrower under the Lease Agreement, any of the Bond Documents, or any other documents delivered in connection with the issuance of the Series 2024 Bonds.

THE UNIVERSITY

Samford is one of the country's leading Christian universities and offers undergraduate programs grounded in the liberal arts with an array of nationally recognized graduate and professional schools. Founded in 1841, Samford is the 87th-oldest institution of higher learning in the United States. Located in the Birmingham, Alabama suburb of Homewood, the university's campus covers approximately 247 acres and is renowned for its beauty and Georgian-Colonial style architecture. The University currently enrolls 5,791 students from 49 states, the District of Columbia and 16 countries. The student-to-faculty ratio is 14:1, with an average undergraduate class size of 19 people.

Samford offers undergraduate and graduate degrees across 10 academic schools: arts, arts and sciences, business, divinity, education, health professions, law, nursing, pharmacy, and public health. The University has one of three accredited law schools and one of only two accredited pharmacy schools in Alabama. Samford's Beeson Divinity School is the only fully accredited graduate divinity school based in Alabama. The university is classified by the Carnegie Commission on Higher Education as a national doctoral/professional institution.

Samford's mission to nurture student development intellectually, ethically and spiritually is fostered through an array of opportunities, including 182 student organizations, global engagement in more than 14 different countries and a wide array of courses that incorporate community service. Additionally, undergraduate students complete Samford's core curriculum, providing a well-rounded foundation in the liberal arts. The result is a highly-tailored educational experience that results in 97% of undergraduate alumni employed or in further study within six months of graduation. See "APPENDIX A-1—INFORMATION REGARDING SAMFORD UNIVERSITY" herein for demographic and summary operating and financial information related to the University.

The University's audited Consolidated Financial Statements for the years ended June 30, 2023 and 2022 are included as Appendix A-2 to this Official Statement. Crowe LLP, the University's independent auditor, has not been engaged to perform, and has not performed, since the date of its report set forth in Appendix A-2 attached hereto, any procedures on the financial statements addressed in that report. Crowe LLP also has not performed any procedures relating to this Official Statement. No procedures on the financial statements included as Appendix A-2 have been performed since the date thereof, and no auditor has performed any procedures relating to this Official Statement.

CASH FLOW PROJECTION

Attached hereto as Appendix C is a Cash Flow Projection (the "Cash Flow Projection") relating to the ability of the Student Housing Facilities portion of the Series 2024 Project to generate revenues from operations, together with NFRA Payments, sufficient to pay principal of and interest on the Series 2024 Bonds for each of the years ending June 30, 2026 through 2056. The Cash Flow Projections have not been reviewed, compiled or examined by an accountant. Neither the Authority nor the Underwriters make any representation for the accuracy of the Cash Flow Projections.

The Cash Flow Projection assumes that the Series 2024 Bonds will be issued in the aggregate principal amount of \$188,800,000*, bear interest at an approximate rate of 5.355%* and are structured to produce approximately level debt service*. Bond proceeds will be deposited as summarized in the "ESTIMATED SOURCES AND USES OF FUNDS" herein and invested at an assumed rate of 3.25%* and 3.25%* for the Series 2024C Debt Service Reserve Fund and the Capitalized Interest Account of the Series 2024C Construction Fund, respectively and at an assumed rate of 3.25%* and 3.25%* for the Series 2024D Debt Service Reserve Fund and the Capitalized Interest Account of the Series 2024D Construction Fund, respectively.

Rental Revenues estimated in the Cash Flow Forecast are based on rents for each bed presented herein under the heading "THE SERIES 2024 PROJECT." The Cash Flow Forecast assumes delivery of the Student Housing Facilities for Fall 2025, with assumed occupancy rates for available beds of 95% during the academic year. Rental Revenues do not include any income from the parking facility. Other income includes the NFRA Payments and ancillary revenue common in the operating of on-campus student housing facilities. In addition to regular estimated costs of operating the Series 2024 Project, the Cash Flow Forecast includes an annual deposit to the Repair and Replacement Fund initially equal to approximately \$229 per bed per year, commencing in the fiscal year ending June 30, 2026. Rental revenue is assumed to increase by 3% annually beginning in the fiscal year ending June 30, 2027 and thereafter. Other income and expense estimates (including the annual Repair and Replacement Fund deposit) are escalated at an assumed rate of 3% per annum. Deposits to the Operations Contingency Fund will be made from amounts on deposit therein at the end of each fiscal year in order to retain a balance equal to 25% of the succeeding year budget for operating expenses.

The achievement of any financial projection is dependent upon future events, the occurrence of which cannot be assured. Therefore, the actual results achieved may vary from the Cash Flow Projections. Such variation could be

* Preliminary; subject to change.

material. See “CERTAIN BONDHOLDERS’ RISKS—Actual Results May Differ from Market Study and Cash Flow Projections” and “—Forward Looking Statements.”

MARKET STUDY

Attached hereto as Appendix B is a Market Analysis dated November 2023 (the “Market Study”), prepared by Rieth Jones Advisors, LLC. The Market Study was produced for the Series 2024 Project as described therein. The Market Study contemplates the Series 2024 Project having units available to lease for the Fall 2025. The Market Study should be read in its entirety. The Market Study includes information on the off-campus rental market and housing development trends in and around the metropolitan statistical area where the Series 2024 Project will be located. The Market Study identifies, among other things, demand for additional purpose-built student housing serving students of the University, as further described therein. The Market Study does not assess demand for the development of other projects related to the Samford Horizons master plan. See “SHORT STATEMENT—The Samford Horizons Campus Master Plan and the Development Team” herein. The achievement of any forecast is dependent upon future events, the occurrence of which cannot be assured. See “CERTAIN BONDHOLDERS’ RISKS—Actual Results May Differ from Market Study and Cash Flow Projection” and “CAUTIONARY STATEMENTS REGARDING FORWARD LOOKING STATEMENTS” herein.

CERTAIN BONDHOLDERS’ RISKS

Introduction

No person should purchase any of the Series 2024 Bonds without carefully reviewing the following information, which summarizes some, but not all, of the factors that should be carefully considered prior to such a purchase. Each prospective purchaser should also carefully examine this Official Statement and his, her, or its own financial condition (including the diversification of his, her, or its investment portfolio) in order to make a judgment as to whether the Series 2024 Bonds are an appropriate investment.

Identified and summarized below are a number of considerations or risks that could adversely affect the operation of the Series 2024 Project and/or the Series 2024 Bonds and that should be considered by prospective purchasers. The following discussion is not intended to be exhaustive, but includes certain major factors that should be considered along with other factors set forth elsewhere in this Official Statement, including the Appendices hereto. The order of inclusion of these risks and other investment considerations is not intended to be representative of the importance or probability of such risks or investment considerations. In order for prospective purchasers of the Series 2024 Bonds to identify risk factors and make an informed investment decision, prospective purchasers should be thoroughly familiar with this entire Official Statement and the appendices hereto so as to make a judgment as to whether the Series 2024 Bonds are an appropriate investment. Prospective investors should obtain such additional information as they deem advisable in connection with their evaluation of the suitability of the Series 2024 Bonds for investment.

General Risk Factors

Payment of the principal of and interest on the Series 2024 Bonds will depend on the ability of the Borrower to generate sufficient Revenues, inclusive of NFRA Payments, to pay such debt service on the Series 2024 Bonds and any other indebtedness while paying Expenses in connection with the Series 2024 Project. The ability of the Borrower to construct and lease up, operate, maintain occupancy and use of the Student Housing Facilities portion of the Series 2024 Project sufficient to generate necessary Revenues may be adversely affected by unforeseen events and conditions, lack of or changes in demand for the Student Housing Facilities or the University, competition, fluctuations in public confidence in the Student Housing Facilities or the University and changes in competition. No representation or assurances can be made that the receipts derived from the operation of the Student Housing Facilities, as presently estimated or otherwise, will be realized in amounts necessary to pay Debt Service on the Series 2024 Bonds as well as the Expenses of the Series 2024 Project.

The following are some of the factors that may affect the development, construction, operations and economic well-being of the Borrower and should be considered by prospective purchasers. The following discussion is not

intended to be exhaustive, but includes certain significant factors that should be considered along with other factors set forth elsewhere in this Official Statement, including the appendices hereto. The order of inclusion of these risks and other investment considerations is not intended to be representative of the importance or probability of such risks or investment considerations. In order for prospective purchasers of the Series 2024 Bonds to identify risk factors and make an informed investment decision, prospective purchasers should be thoroughly familiar with this entire Official Statement and the appendices hereto so as to make a judgment as to whether the Series 2024 Bonds are an appropriate investment. Prospective investors should obtain such additional information as they deem advisable in connection with their evaluation of the suitability of the Series 2024 Bonds for investment.

Limited Obligations of the Authority

The Series 2024 Bonds constitute limited obligations of the Authority and have three potential sources of payment. The sources of payment are as follows:

(a) ***Payments Received by the Trustee from the Borrower Pursuant to the Terms of the Indenture and the Lease Agreement.*** The Authority has no obligation to pay the Series 2024 Bonds except from the related Trust Estate, including Basic Lease Payments derived from the Lease Agreement, all of which are assigned to the Trustee. The Series 2024 Bonds are limited obligations of the Authority payable solely from the Trust Estate and, except from such source, none of the Authority, any Authority Indemnified Person (as defined in the Indenture), the State of Alabama or any political subdivision or agency thereof or any political subdivision approving the issuance of the Series 2024 Bonds is obligated to pay the principal of, premium, if any, or interest thereon or any costs incidental thereto. The Series 2024 Bonds are not general obligations of the Authority but are limited obligations payable solely from the revenues and receipts derived from the Trust Estate granted in the granting clauses at the beginning of the Indenture, which revenues and receipts are thereby specifically pledged to such purposes in the manner and to the extent provided in the Indenture. Neither the directors of the Authority nor any persons executing the Series 2024 Bonds shall be liable personally on the Series 2024 Bonds by reason of the issuance thereof. The Series 2024 Bonds shall not be deemed to constitute a debt or a pledge of the faith and credit of the Authority, the State of Alabama or any political subdivision thereof, including the Authority and the city of Homewood, Alabama. Neither the State of Alabama nor any political subdivision thereof, including the Authority and city of Homewood, Alabama, shall be liable for the Series 2024 Bonds or obligated to pay the principal, premium, if any, or the interest thereon or other costs incident thereto except from the revenues and receipts pledged therefor, and neither the faith and credit nor the taxing power of the State of Alabama or any political subdivision thereof, including the Authority and city of Homewood, Alabama, is pledged to the payment of the principal of or the premium, if any, or the interest on the Series 2024 Bonds or other costs incident thereto. The Authority has no taxing power. The Basic Lease Payments will be derived solely from operation of the Series 2024 Project. Furthermore, the Borrower's ability to meet its obligations under the Lease Agreement will depend upon achieving and maintaining certain occupancy and use levels of the Series 2024 Project throughout the term of the Series 2024 Bonds. However, no assurance can be made that the Borrower will generate sufficient Revenues from the Series 2024 Project to pay Debt Service on the Series 2024 Bonds after payment of Expenses of the Series 2024 Project.

(b) ***Revenues received from the operation of the Series 2024 Project by a Receiver Upon a Default Under the Indenture.*** It has been the experience of lenders in recent years that attempts to have a receiver appointed to take charge of properties with respect to which loans have been made are frequently met with defensive measures such as the initiation of protracted litigation and the initiation of bankruptcy proceedings. Such defensive measures can prevent the appointment of a receiver or greatly increase the expense and time involved in having a receiver appointed. See “—Enforceability of Remedies” herein. Accordingly, prospects for uninterrupted payment of principal and interest on the Series 2024 Bonds in accordance with their terms are largely dependent upon Basic Lease Payments from the Borrower described in the preceding paragraph, which are wholly dependent upon the success of the Borrower in the operation of the Series 2024 Project.

(c) ***Proceeds Realized from the Sale or Lease of the Borrower's Interest in the Series 2024 Project to a Third Party by the Trustee at or Following Foreclosure by the Trustee of the Leasehold Mortgage and Proceeds Realized from the Liquidation of Other Security for the Series 2024 Bonds.***

Debtors frequently employ defensive measures, such as protracted litigation and bankruptcy proceedings, in response to lenders' efforts to foreclose on real property or otherwise to realize upon collateral to satisfy indebtedness that is in default. Such defensive measures can prevent, or greatly increase the expense and time involved in achieving, such foreclosure or other realization. In addition, the Trustee could experience difficulty in selling or leasing the real and personal property portion of the Series 2024 Project upon foreclosure due to the special purpose nature of a student housing facility, and the proceeds of such sale may not be sufficient to pay fully the owners of the Series 2024 Bonds. See "—Enforceability of Remedies" herein. Accordingly, prospects for uninterrupted payment of principal and interest on the Series 2024 Bonds in accordance with their terms are largely dependent upon the Basic Lease Payments described in paragraph (a) above, which are wholly dependent upon the success of the Series 2024 Project. Even if the Series 2024 Project are operating in an efficient manner, other factors could affect the ability of the Borrower to make Basic Lease Payments under the Lease Agreement. The Borrower also may become engaged in other ventures in the future.

Risks of Construction

The cost of construction of the Series 2024 Project may be affected by factors beyond the control of the Borrower, including strikes, material shortages, adverse weather conditions, subcontractor defaults, delays, and unknown contingencies.

The Construction Contracts between the University and the Construction Manager will obligate the Construction Manager to complete the Series 2024 Project within a specified time for a fixed price. The cost of the Series 2024 Project may be increased, however, if there are change orders. The Construction Contracts requires the Construction Manager to furnish performance and payment bonds; however, there can be no assurance that the obligations of the surety under such bonds can be enforced without costly and time-consuming litigation.

To the extent that construction is delayed or halted due to acts of force majeure or eminent domain, neither the Authority, the University, the Borrower, nor the Construction Manager will have any obligation to provide for such completion. While the Indenture permits the Authority to issue Additional Bonds to complete the Series 2024 Project, the Authority is not obligated to issue such Additional Bonds and there can be no assurance that a purchaser for such Additional Bonds could be obtained.

Limited Resources

The Borrower has no substantial revenues or assets other than the facilities financed with the proceeds of the Series 2024 Bonds. Furthermore, the Series 2024 Bonds are secured only by the operations and assets of the Series 2024 Project and the NFRA Payments made by the University. Although the University is making a financial contribution for the debt service on the Series 2024 Bonds, neither the University nor the Foundation is liable for the payment of the principal of, premium, if any, or interest on the Series 2024 Bonds nor shall the University be responsible or liable for any other obligations of the Borrower or the obligations of any other party other than themselves in connection with the Series 2024 Bonds. Therefore, timely payment of Debt Service on the Series 2024 Bonds will be dependent upon the Borrower's ability to generate Revenues from the Student Housing Facilities portion of the Series 2024 Project and the NFRA Payments made by the University sufficient to pay its Expenses and such payments of principal of and premium, if any, and interest on the Series 2024 Bonds. If after payment of Expenses, net revenues are insufficient to pay the principal of and premium, if any, and interest on the Series 2024 Bonds, the Borrower likely will have no moneys or assets other than the Series 2024 Project from which to make such payments. In addition, the Borrower's ability to pay the principal of and interest on the Series 2024 Bonds may be adversely affected by its contractual obligations with respect to the Series 2024 Bonds and the Series 2024 Project, including requirements for payment by the Borrower pursuant to indemnity obligations under the project and financing documents.

Failure To Achieve and Maintain Occupancy Levels and Rents

In order for the Borrower to generate sufficient Revenues to enable it to make the payments at the times required under the Lease Agreement, the Student Housing Facilities portion of the Series 2024 Project must meet

certain occupancy and use levels and achieve certain rents. There can be no assurance, however, that the Student Housing Facilities will be able to meet and maintain such required occupancy, use and rent levels. Although the University has agreed under the terms of the Affiliation Agreement to make NFRA Payments in an amount necessary to cause the Projected Fixed Charges Coverage Ratio for the then-current Annual Period to be not less than 1.20, the economic feasibility of the Student Housing Facilities and their ability to provide revenues to the Borrower sufficient to make payments on the Series 2024 Bonds depends on the Student Housing Facilities, when completed, achieving the forecasted level of occupancy and use and continuing to be substantially occupied and used by students who are financially capable of paying the full amount of the student rents and fees.

The Borrower and the University have not begun marketing efforts to date and have not secured any reservations for occupancy at the Student Housing Facilities. The use and occupancy of the Student Housing Facilities portion of the Series 2024 Project may be affected by competition from existing facilities or from competing facilities either on the University campus or off the campus, including new facilities which the Borrower, the University, the Development Manager, the Construction Manager, or its affiliates, may construct. If the Student Housing Facilities portion of the Series 2024 Project fails to achieve significant initial occupancy and use and thereafter maintain significant occupancy and use, there may be insufficient funds to pay debt service on the Series 2024 Bonds and the University would be obligated under the terms of the Affiliation Agreement to make the NFRA Payments described above. If actual operating experience is substantially different from the experience anticipated by the Borrower as of the date of this Official Statement, and if there is a deterioration in the financial position of the University impacting its ability to make NFRA Payments, the revenues of the Borrower would be less than needed and would have a material adverse effect on the ability of the Borrower to pay debt service on the Series 2024 Bonds and all other obligations. See “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2024 BONDS” herein.

Revenues From Operation of the Student Housing Facilities portion of the Series 2024 Project

If the Borrower is unable to generate sufficient revenues from the operation of the Student Housing Facilities portion of the Series 2024 Project and if the University is unable to make sufficient NFRA Payments to pay the Series 2024 Project’s operating expenses and principal of and interest on the Series 2024 Bonds, an Event of Default will occur under the Bond Documents. Upon an Event of Default, the Series 2024 Bonds may not be paid or may be paid before maturity or applicable redemption dates and a forfeiture of redemption premiums may result. The Borrower’s ability to generate revenues and its overall financial condition may be adversely affected by a wide variety of future events and conditions including (i) a decline in the enrollment at the University, (ii) increased competition from other schools, (iii) increased competition from other housing developments and options, (iv) loss of accreditation of the University, (v) failure to meet applicable federal guidelines or some other event that results in students being ineligible for federal financial aid, (vi) cost overruns in connection with the Series 2024 Project or other capital improvements and (vii) a deterioration in the financial position of the University impacting its ability to make NFRA Payments. The occupancy rates related to the Series 2024 Project may be adversely affected by regional and local economic conditions, competitive conditions, local laws and regulations, and general real estate market conditions, including the supply, proximity, and amenities of apartment communities and retail dining establishments in the area.

University As Manager

Marketing, start up and on-going management of the Student Housing Facilities portion of the Series 2024 Project will be dependent on the efforts of the University as Manager thereof. The University will supervise the day-to-day marketing, operation and management of the Student Housing Facilities portion of the Series 2024 Project and the Borrower will be relying on the experience and expertise of the University, to supervise such operation and management.

If the Borrower were to terminate its relationship with the University, it would need to hire and train a successor management company for the Student Housing Facilities. No assurance can be given that the University can continue to successfully manage and operate the Student Housing Facilities, that the Borrower will not terminate the relationship with the University or that another experienced successor management company could be located or would be willing to undertake the management and operation of the Student Housing Facilities portion of the Series 2024 Project. The Borrower is not permitted to employ a manager other than the University without the University’s consent. A failure to maintain the University as the management company for the Student Housing Facilities or to

hire, train and retain a successor management company may have an adverse effect on ability of the Student Housing Facilities to operate and could negatively impact occupancy levels and thus the revenues of the Borrower.

Reliance on the University; Outstanding Covered Parity Debt

The Series 2024 Project will be located on the campus of the University and will be constructed on Property leased by the Borrower pursuant to the Lease Agreement. The Borrower expects all of the users and residents of the Series 2024 Project to be students the University and the University will act as Manager with respect to the Series 2024 Project. Under the Affiliation Agreement, the University will make NFRA Payments that may be necessary to have sufficient Revenue to pay debt service and expenses. Therefore, the success of the Series 2024 Project is dependent on the University maintaining (a) adequate matriculation, (b) a good reputation in the educational community and (c) financial stability. If the University encounters difficulties with any of three matters listed in the previous sentence, such difficulties could decrease the desirability of the University to existing or prospective students, which, in turn, could adversely affect the financial success of the University and its ability to make sufficient NFRA Payments and, in turn, cause a material adverse effect on the ability of the Borrower to pay debt service on the Series 2024 Bonds. In addition, the University is obligated on a parity basis with respect to outstanding Covered Parity Debt (as such term is defined in the Affiliation Agreement), which Covered Parity Debt currently includes debt described in “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2024 BONDS—Outstanding Covered Parity Debt of the University; Cross Default” herein. The University has covenanted in the Affiliation Agreement to, in each calendar year, reserve and allocate funds of the University, and apply such funds, for the payment in each such calendar year, when due, of the principal of and interest on all Covered Parity Debt on an equal and proportionate basis and parity of lien without preference or priority of any obligation which constitutes a part of Covered Parity Debt over any other such obligation and without discrimination or priority among the Persons entitled to such payments. The occurrence of an event of default under any of the Covered Parity Debt Documents (as defined in the Indenture) will be an Event of Default under the Indenture with respect the Series 2024 Bonds. See “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2024 BONDS—Outstanding Covered Parity Debt of the University; Cross Default”.

Special Use Nature of the Series 2024 Project; Risks Associated with the Lease Agreement

The Series 2024 Project will be constructed to serve as student housing facilities and parking facilities and are located on the University’s campus. In addition, the Borrower does not own fee title of the real property on which the Series 2024 Project is situated and instead leases such property on which the Series 2024 Project will be located pursuant to the Lease Agreement. A default under the Lease Agreement or failure of the University’s title to any such real property could result in a termination thereof, effectively depriving the Trustee of the real property security for the Series 2024 Bonds.

If it were necessary to sell the Borrower’s interest in the Lease Agreement pursuant to the Leasehold Mortgage upon an Event of Default, the special use nature of the Series 2024 Project and the fact that the interest to be sold is in the nature of a leasehold interest and subject to the terms of the Lease Agreement will likely curtail the purchase price that could be obtained, and the net proceeds received may be less than the principal amount of Series 2024 Bonds Outstanding. For all practical purposes, payment of the Series 2024 Bonds is significantly dependent upon the continued operation of the Series 2024 Project in addition to the NFRA Payments from the University under the Affiliation Agreement.

Government Regulation

The housing industry is significantly regulated by the federal and local government. Regulations and conditions affecting the acquisition, development, and ownership of residential real estate, including local zoning and land use issues, environmental regulations, the Americans with Disabilities Act, the Fair Housing Amendments Act of 1988, and general conditions in the market, could increase the operating expenses of the Series 2024 Project or could otherwise have a material adverse effect on the operation thereof.

Competition

The student housing industry is highly competitive. There are competitive housing communities both on campus and in the nearby vicinity. Such competition may inhibit the extent to which the Borrower will be able to increase rates and charges and maintain or increase occupancy of the Series 2024 Project. Competing companies may offer newer or different projects, amenities, or services and thereby attract residents who are current or potential residents of the Series 2024 Project. Either the Development Manager or, under certain circumstances, the University may acquire or develop additional facilities that compete with the Series 2024 Project. See “**SHORT STATEMENT—The Samford Horizons Campus Master Plan and the Development Team**” and “**THE AFFILIATION AGREEMENT—University Support After Construction.**” See also “**MARKET STUDY**” attached hereto as Appendix B for additional information relating to the Series 2024 Project and off-campus housing.

Risks of Real Estate Investment

Development, ownership and operation of real estate, such as the Series 2024 Project, involves certain risks, including the risk of adverse changes in general economic and local conditions (such as the possible future oversupply and lagging demand for housing), adverse use of adjacent or neighboring real estate, initial and continued community acceptance of the Series 2024 Project, increased competition from other student housing communities, changes in the cost of operation of the Series 2024 Project, difficulties or restrictions in the Borrower’s ability to raise rents charged, damage caused by adverse weather and delays in repairing such damage, student enrollment decreases, uninsured losses, failure of residents to pay rent, operating deficits and mortgage foreclosure, lack of attractiveness of the Series 2024 Project to residents and students, adverse changes in neighborhood values and adverse changes in laws and regulations and real property tax rates. Such losses also include the possibility of fire or other casualty or condemnation.

Changes in general or local economic conditions and changes in interest rates and the availability of mortgage funding may render the sale or refinancing of the Series 2024 Project difficult or unattractive. These conditions may have an adverse effect on the demand for the Series 2024 Project as well as the market price received for the Series 2024 Project in the event of a sale or foreclosure of the Series 2024 Project. Many other factors may adversely affect the operation of the Series 2024 Project and cannot be determined at this time.

Risks Associated with the Ground Lease

Neither the Authority nor the Borrower will have fee title to the Property. Instead, the University will lease the Property to the Authority pursuant to the Ground Lease. The Authority’s obligation to comply with the terms of the Ground Lease and to relinquish any claim to the Series 2024 Project upon the termination of the Ground Lease will likely render the Series 2024 Project less valuable to prospective purchasers upon foreclosure.

Property Tax Exemption

The Cash Flow Projection assumes the Series 2024 Project will not be subject to ad valorem taxes pursuant to Section 40-9-17 of the Alabama Code which in part exempts all property owned and used by a college for the purpose of housing students, members of the faculty or other employees of the college, and pursuant to Section 16-17-14 of the Alabama Code which exempts the interests of the Authority in property. In the event such exemption is not available or the exemption is revoked in the future, there may be alternative property tax exemptions available; however, there can be no assurances that such property tax exemptions will be available or if available will not be revoked in the future. If the property tax exemption is not available or is revoked, such event could have a material adverse effect on the availability of funds to make payments with respect to the Series 2024 Bonds.

Insurance and Legal Proceedings

The Borrower will carry or cause the University to carry insurance for the Series 2024 Project to insure against such risks as are customarily insured against with respect to the facilities of like size/type. However, there can be no assurance that any current or future claims will be covered by or will not exceed applicable insurance coverage.

No casualty will entitle the Borrower to any postponement, abatement, or diminution of the Basic Lease Payments. See "FORM OF THE LEASE AGREEMENT" in Appendix D-2 hereto.

Although the Borrower will be required to obtain and maintain certain insurance against damage or destruction as set forth in the Lease Agreement, there can be no assurance that the Series 2024 Project will not suffer losses for which insurance cannot be or has not been obtained or that the amount of any such loss, or the period during which the Series 2024 Project cannot generate Revenues, will not exceed the coverage of such insurance policies.

If the Series 2024 Project or any portion of the Series 2024 Project is damaged or destroyed, or is taken in a condemnation proceeding, funds derived from proceeds of insurance or any such condemnation award for the Series 2024 Project must be applied as provided in the Lease Agreement to restore or rebuild the Series 2024 Project or to redeem the Series 2024 Bonds. There can be no assurance that the amount of funds available to restore or rebuild the Series 2024 Project or to redeem the Series 2024 Bonds will be sufficient for that purpose, or that any remaining portion of the Series 2024 Project will generate Revenues sufficient to pay the expenses of the Series 2024 Project and the Borrower and the debt service on the Series 2024 Bonds remaining outstanding.

The Borrower has arranged for insurance coverage that is customary for projects of a similar nature. In the event of damage or condemnation, the Borrower will rely on insurance proceeds and condemnation awards to pay all or part of the costs of restoring the Series 2024 Project. Failure of an insurer to pay a claim could result in a default on the Series 2024 Bonds and redemption of such instruments at par. There are certain types of losses that are not insured or insurable, such as losses relating to certain types of water damage. Should such a catastrophic casualty occur, the Borrower would suffer a loss for which insurance benefits would not be available. Further, there is no assurance that insurance proceeds where available will be sufficient to repay the Series 2024 Bonds.

Bankruptcy

Although the security under the Leasehold Mortgage and the lien on the Pledged Revenues under the Indenture given for the benefit of Owners of the Series 2024 Bonds are superior to the claims of other creditors (subject to the limitations set forth under "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2024 BONDS—Pledge of Pledged Revenues" above), bankruptcy and similar proceedings against the Borrower and usual equity principles may affect the enforcement of rights to such security. A court may invoke other equity principles to refuse to enforce specifically rights to such security. If such security is inadequate for payment in full of the Series 2024 Bonds, bankruptcy proceedings and usual equity principles may also limit any attempt by the Trustee to seek payment from other property, if any, of the Borrower.

If the Borrower were to file a petition for relief under the United States Bankruptcy Code, the filing would operate as an automatic stay of the commencement or continuation of any judicial or other proceeding against the Borrower, and any interest it has in property. If the bankruptcy court so orders, the Borrower's property, including its accounts receivable and proceeds thereof, could be used, at least temporarily, for the benefit of the bankruptcy estate despite the claims of its creditors.

In a case under the current United States Bankruptcy Code, a filing party could file a plan of reorganization. The plan is the vehicle for satisfying, and provides for the comprehensive treatment of, all claims against such filing party and could result in the modification of rights of any class of creditors, secured or unsecured. To confirm a plan of reorganization, with one exception discussed below, it must be approved by the vote of each class of impaired creditors. A class approves a plan if, of those who vote, those holding more than one-half in number and two-thirds in amount vote in favor of a plan. Approval by classes of interests requires a vote in favor of the plan by two-thirds in amount. If these levels of votes are attained, those voting against the plan or not voting at all are nonetheless bound by the terms thereof. Other than as provided in the confirmed plan, all claims and interests are discharged and extinguished. If fewer than all of the impaired classes accept the plan, the plan may nevertheless be confirmed by the bankruptcy court, and the dissenting claims and interests would be bound thereby. For this to occur, one of the impaired classes must vote to accept the plan and the bankruptcy court must determine that the plan does not "discriminate unfairly" and is "fair and equitable" with respect to the non-consenting class. A plan is fair and equitable if each class is treated in accordance with its credit priority and no class receives a distribution until senior classes are paid in full. The United States Bankruptcy Code establishes different fair and equitable tests for secured claims and interest holders. To be confirmed, the bankruptcy court must also determine that a plan, among other requirements,

provides creditors with more than would be received in the event of liquidation, is proposed in good faith, and that the debtor's performance is feasible.

Bankruptcy proceedings by the Borrower could adversely affect Beneficial Owners of the Series 2024 Bonds by reducing or delaying payments on the Series 2024 Bonds and may impede enforcement by the Trustee and such Owners of their claims to the collateral assigned and pledged to secure the Series 2024 Bonds. Federal bankruptcy law also permits adoption of a reorganization plan without the approval of such Owners if they are provided with the benefit of their original security or the "indubitable equivalent." In addition, if a bankruptcy court concludes that such registered Owners have "adequate protection," the court may (a) substitute other security for the security of the registered Owners and (b) subordinate the security of the registered Owners to (i) claims by persons supplying goods, services or credit to the Borrower after bankruptcy and (ii) the administrative expenses of the bankruptcy proceeding. In the event of such bankruptcy, the amount realized by the registered Owners of the Series 2024 Bonds may depend on the court's interpretation of "indubitable equivalent" and "adequate protection" under then existing circumstances. The effect of these and other provisions of federal bankruptcy law cannot be predicted and may be significantly affected by judicial interpretation.

Furthermore, recent judicial decisions concerning the status of debt service reserve funds held by an indenture trustee have concluded that such reserves are "cash collateral" of a debtor in bankruptcy and have cast doubt on the ability of the Trustee to use moneys in the Debt Service Reserve Fund to make payments on the Series 2024 Bonds in the event of a bankruptcy of a member of the Borrower.

Limitations on Enforceability of Remedies

The Series 2024 Bonds are payable by the Authority from the Trust Estate, including payments to be made under the Lease Agreement and the Indenture. The payments to be made by the Borrower under the Lease Agreement are secured by (a) a continuing security interest in and to the Borrower's interest in the Series 2024 Project and the Property pursuant to the Leasehold Mortgage; (b) a pledge and assignment of, and a grant to the Trustee of a security interest in (i) the Borrower's interest in the rents, income, receipts, revenues, issues and profits and other benefits of and from the Series 2024 Project and from and in connection with the Borrower's ownership or operation of the Series 2024 Project and (ii) written or oral leases or other agreements for the use or occupancy of all or any portion of the Series 2024 Project and any and all other real or personal property of every kind and nature from time to time after the dated of the Leasehold Mortgage by delivery or by writing of any kind conveyed, mortgaged, pledged, assigned or transferred to the Trustee as and for additional security under the Leasehold Mortgage; (c) a pledge and assignment of, and a grant of a security interest in the Pledged Revenues; (d) a pledge and assignment of, and grant of a security interest in the Borrower's accounts, documents, chattel paper, instruments, and general intangibles arising in any manner from the Borrower's ownership or operation of the Series 2024 Project pursuant to the Borrower Security Agreement; (e) a pledge and assignment of, and a grant of a security interest in all building materials, equipment, fixtures, tools, apparatus and fittings pursuant to the Leasehold Mortgage, all subject to Permitted Encumbrances; and (f) a pledge and assignment of a first priority security interest in the Borrower's rights under the Affiliation Agreement, the Management Agreement, the Development Agreements, the Architect Agreements, the Construction Services Agreements and other contracts and agreements relating to the development, design, construction, operation and management of the Series 2024 Project assigned to the Trustee pursuant to the Borrower Security Agreement. Pursuant to the Indenture, the Series 2024 Bonds are secured by the Trust Estate, including the grant of a security interest to the Trustee in the Authority's interest in the Lease Agreement. The practical realization of value upon any default will depend upon the exercise of various remedies specified by the Bond Documents. These and other remedies may, in many respects, require judicial actions, which are often subject to discretion and delay. Under existing law (including, particularly, federal bankruptcy law), the remedies specified by the Bond Documents may not be readily available or may be limited. A court may decide not to order the specific performance of the covenants contained in the Bond Documents. The various legal opinions to be delivered concurrently with the delivery of the Series 2024 Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by state and federal laws, rulings, and decisions affecting remedies, including judicial discretion in the application of the principles of equity, and by bankruptcy, reorganization, or other laws affecting the enforcement of creditors' rights generally.

The realization of any rights upon a default will depend upon the exercise of various remedies specified in the Indenture, the Lease Agreement, the Borrower Security Agreement and the Leasehold Mortgage. Any attempt by the Trustee to enforce such remedies may require judicial action, which is often subject to discretion and delay. Under

existing law (including, without limitation, the United States Bankruptcy Code), certain of the legal and equitable remedies specified in the Indenture, the Lease Agreement, the Borrower Security Agreement and the Leasehold Mortgage may not be readily available or may be limited.

A court may decide not to order the specific performance of the covenants contained in the Indenture, the Lease Agreement, the Borrower Security Agreement and the Leasehold Mortgage. The various opinions to be delivered concurrently with the delivery of the Series 2024 Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by state and federal laws, rulings and decisions affecting remedies, and by bankruptcy, reorganization or other laws affecting the enforcement of creditors' rights generally.

Any default in the performance of most of the covenants set forth in the Indenture, the Lease Agreement, the Borrower Security Agreement or the Leasehold Mortgage would constitute an Event of Default under such documents only following notice and lapse of time, as further described in the Indenture and the Lease Agreement. The Bond Trustee will give notice of an Event of Default under the Indenture within the time required under the Indenture. Events of Default specified by the Indenture can be remedied through enforcement action taken by the Trustee in its discretion or at the request of the Requisite Number of Bondholders (as defined in the Indenture), subject to the right of the Majority of the Bondholders (as defined in the Indenture) to direct all proceedings to be taken in connection with the enforcement of the terms and conditions of the Indenture or any other proceedings thereunder.

Upon issuance of the Series 2024 Bonds, the Series 2024 Bonds will constitute 100% of the bonded indebtedness outstanding under the Indenture. The Indenture permits the issuance of Additional Bonds under the circumstances specified therein. As a result, the proportion of the principal amount of the Series 2024 Bonds to the principal amount of all Bonds at any time outstanding under the Indenture is subject to change. Upon an acceleration of the Series 2024 Bonds, after paying the expenses and other amounts due to the Trustee, amounts available to pay the Series 2024 Bonds will be prorated among all Owners of Bonds without preference or priority of principal or premium over interest or of interest over principal or premium, or of any Series 2024 Bond over any other Series 2024 Bond.

Possible Limitations on Security

The pledge of and assignment by the Borrower of Pledged Revenues may be limited by the following: (a) statutory liens; (b) rights arising in favor of the United States of America or any agency thereof or the State of Alabama or any agency thereof; (c) present or future prohibitions against assignment contained in any federal or state statutes or regulations; (d) constructive trusts, equitable liens or other rights impressed or conferred by any state or federal court in the exercise of its equitable jurisdiction; (e) federal bankruptcy or state insolvency laws affecting assignments of revenues earned after any effective institution of bankruptcy or insolvency proceedings by or against the Borrower; (f) rights of third parties in any revenues, including revenues converted to cash, not in possession of the Trustee; (g) the requirement that appropriate continuation statements be filed in accordance with the applicable Uniform Commercial Code; and (h) rights of holders of Permitted Encumbrances, as set forth in the Indenture. The priority of the Leasehold Mortgage may be limited or restricted by law and as otherwise provided by the Indenture.

Limited Value at Foreclosure

The Series 2024 Project has been specifically designed and constructed as student housing facilities and parking facilities, and the Series 2024 Project may not be practically suited for other uses. Further, Series 2024 Project is located on the Campus of the University and are restricted in their use by the Ground Lease. The number of entities that could be expected to purchase or lease the Series 2024 Project is limited, including, without limitation, by the explicit provisions of the Ground Lease, and thus the ability of the Trustee to realize funds from the sale, rental or operations of the Series 2024 Project upon an Event of Default under the Indenture may be limited. The value of the Series 2024 Project at foreclosure thereof may also be limited by alleged or actual rights of residents in such facilities and may be less than the principal amount of Series 2024 Bonds and other Bonds then outstanding. In addition, the Borrower has not secured an as-built appraisal in connection with the issuance of the Series 2024 Bonds. Therefore, there can be no assurance that the Series 2024 Project will maintain its value in the future.

Additional Bonds

The Authority has the right to issue Additional Bonds that will be issued on a parity with the Series 2024 Bonds and any Additional Bonds theretofore or thereafter issued. See “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2024 BONDS—Additional Bonds and Indebtedness” herein. **Any other Additional Bonds could dilute the security for the Series 2024 Bonds.**

Clean-up Costs and Liens Under Environmental Statutes

The University has obtained on behalf of the Borrower (a) a Phase I Environmental Site Assessment for the Freshman Housing Facility, dated April 3, 2024 and (b) a Phase I Environmental Site Assessment for the Greek Housing Facility, dated April 3, 2024 (collectively, the “Phase I Reports”) each prepared by Bhate Geosciences Corporation. During the initial offering period, potential purchasers of the Series 2024 Bonds can obtain a copy of the Phase I Reports from the Underwriters at no cost and are encouraged to review the same before investing in the Series 2024 Bonds. Following the initial offering period, potential purchasers can examine such document at the office of the Trustee. The Phase I Reports found no Recognized Environmental Conditions located at the sites where the Freshman Housing Facility and the Greek Housing Facility are being constructed.

In addition, Bhate Geosciences Corporation prepared for the University (a) a Report of Subsurface Exploration and Geotechnical Engineering Evaluation, dated April 28, 2023, covering the Freshman Housing Facility, (b) a Report of Subsurface Exploration and Geotechnical Engineering Evaluation, dated May 9, 2023, covering the Greek Housing Facility (together, the “Geotechnical Reports”). The Geotechnical Reports summarize Bhate Geosciences Corporation’s understanding of the proposed construction, describes the exploration and testing procedures, discusses observations, and presents the findings and recommendations as it relates to foundation design and earthwork construction for the planned development.

The Borrower is not aware of any enforcement actions currently in process with respect to any releases of pollutants or contaminants at the Property. However, there can be no assurance that an enforcement action or actions will not be instituted under such statutes at a future date. In the event such enforcement actions were initiated, the Borrower could be liable for the costs of removing or otherwise treating pollutants or contaminants located at the Property. In addition, under applicable environmental statutes, in the event an enforcement action were initiated, a lien superior to the Trustee’s lien on behalf of the Bondholders could attach to the Series 2024 Project, which would adversely affect the Trustee’s ability to realize value from the disposition of the Borrower’s interest in the Series 2024 Project upon foreclosure of the Leasehold Mortgage. Furthermore, in determining whether to exercise any foreclosure rights with respect to the Series 2024 Project under the Indenture, the Trustee and the Bondholders would need to take into account the potential liability of any tenant of the Series 2024 Project, including a tenant by foreclosure, for clean-up costs with respect to such pollutants and contaminants.

Cybersecurity Risks

The services and systems of the University and the Borrower may be critical to operations or involve the storage, processing and transmission of sensitive data, including valuable intellectual property, other proprietary or confidential data, regulated data, and personal information of employees, students and others. Successful breaches, employee malfeasance, or human or technological error could result in, for example, unauthorized access to, disclosure, modification, misuse, loss, or destruction of the University, the Borrower or other third-party data or systems; theft of sensitive, regulated, or confidential data including personal information and intellectual property; the loss of access to critical data or systems; service or system disruptions or denials of service.

COVID-19 and Future Pandemics or Epidemics

The global outbreak and continued spread of COVID-19 and actions taken by federal, state and local governments in response thereto, have materially adversely affected, and the outbreak of any future pandemics or epidemics and the actions taken in response thereto may further impact, travel, commerce and financial markets globally. Such pandemics or epidemics may have material impact on global, regional and local economic conditions

as well as on the higher education landscape in general and may adversely affect the financial condition and operations of the University.

Pledge and Assignment of, and Grant of Security Interest in, Future Revenues

Under the Borrower Security Agreement, the Borrower will, subject to only Permitted Encumbrances, pledge, assign and grant to the Trustee a security interest in (a) the Pledged Revenues, (b) the Equipment, (c) the Inventory, (d) the Goods, (e) the Accounts, (f) the General Intangibles, (g) Instruments, Drafts, and Chattel Paper, (h) the Documents of Title, (i) the Contracts, (j) all guarantees of the Borrower's existing and future Accounts and General Intangibles and all other security held by the Borrower for the payment or satisfaction thereof and letter-of-credit rights in favor of the Borrower and other supporting obligations, (k) Goods, the sale or lease of which gave rise to any Account or General Intangible of the Borrower, including any returned Goods, (l) each deposit account of the Borrower or other account of the Borrower with the Trustee or any bank or financial institution and any other amounts which may be owing from time to time by any bank or financial institution to the Borrower, (m) all property of any nature whatsoever of the Borrower now or hereafter in the custody or possession of, or assigned or hypothecated to, the Trustee for any purpose, and (n) the Investment Property. Nevertheless, certain interests and claims of others may be on a parity with or prior to the pledge, assignment and grant made in the Lease Agreement, the Borrower Security Agreement and in the Indenture and certain statutes and other provisions may limit the Borrower's and the Authority's rights to make such pledges, assignments, and/or grants of security interests. Examples of such claims, interests, and provisions are (a) statutory liens, (b) the Alabama Uniform Commercial Code may not recognize a security interest in future revenues derived from the Series 2024 Project, (c) constructive trusts, equitable liens, or other rights impressed or conferred by any state or federal court in the exercise of its equitable jurisdiction, (d) federal bankruptcy laws as they affect amounts earned with respect to the Series 2024 Project after any effectual institution of bankruptcy proceedings by or against the Borrower or the Authority, (e) as to those items in which a security interest can be perfected only by possession, including items converted to cash, the rights of third parties in such items not in the possession of the Trustee, (f) items not in possession of the Trustee, the records to which are located or moved outside the State of Alabama, which are thereby not subject to or are removed from the operation of Alabama law, and (g) the requirement that appropriate continuation statements be filed in accordance with the Alabama Uniform Commercial Code as from time to time in effect.

Moreover, it is unclear whether the covenant to deposit the proceeds of Pledged Revenues with the Trustee is enforceable. In light of the foregoing and of questions as to limitations on the effectiveness of the security interest granted in such Pledged Revenues, as described above, no opinion will be expressed by counsel to the Borrower as to enforceability of such covenant with respect to the required deposits.

Risk of Early Redemption

Purchasers of Series 2024 Bonds, including those who purchase Series 2024 Bonds at a price in excess of their principal amount or who hold such bonds trading at a price in excess of par, should consider the fact that the Series 2024 Bonds are subject to optional and mandatory redemption at a redemption price equal to their principal amount plus accrued interest upon the occurrence of certain events. This could occur, for example, in the event the Series 2024 Bonds are prepaid as a result of a casualty or condemnation award affecting the Series 2024 Project or there is a default under the Leasehold Mortgage. See "THE SERIES 2024 BONDS—Redemption." Under such circumstances, a purchaser of the Series 2024 Bonds whose bonds are called for early redemption may not have the opportunity to hold such bonds for a time period consistent with such purchaser's original investment intentions and may lose any premium paid for the Series 2024 Bonds.

Actual Results May Differ from Market Study and Cash Flow Projections

The Market Study and its projection of future demands included as Appendix B hereto, and the Cash Flow Projection and its projections of future revenues and expenses with respect to the Series 2024 Project included as Appendix C hereto and with respect to the Series 2024 Project, are based upon assumptions concerning future events, and circumstances. The Market Study should be read in its entirety. The achievement of any results of the Market Study, the Cash Flow Projection, or other projection is dependent upon future events, the occurrence of which cannot

be assured. Realization of the results projected will depend, among other things, on the implementation by the University of policies and procedures consistent with the assumptions. Future results will also be affected by events and circumstances beyond the control of the Borrower. For the reasons described above, it is likely that the actual results of the Series 2024 Project will be different from the results projected in the Market Study and the Cash Flow Projections included herein, and those differences may be material and adverse.

Forward Looking Statements

This Official Statement, including but not limited to the information contained in the Market Study and the Cash Flow Projection, contains statements relating to future results that are “forward looking statements” as defined in the Private Securities Litigation Reform Act of 1995. When used in this Official Statement, the words “estimate,” “projection,” “intend,” “expect,” and similar expressions identify forward looking statements. Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward looking statements. The factors that may cause projected revenues and expenditures to be materially different from those anticipated include: (a) the ability to market the Series 2024 Project, (b) the ability of the Series 2024 Project to maintain substantial occupancy at projected increased rent levels of the Series 2024 Project, (d) the ability of the residents of the Series 2024 Project to meet their financial obligations, (d) lower than anticipated revenues, (e) higher than anticipated operating expenses, (f) litigation, (g) changes in governmental regulation, (h) loss of federal tax-exempt status of the Borrower, (i) loss of any full or partial local property tax exemption, (j) changes in demographic trends, (k) competition from other residential rental projects, (l) changes in the student housing industry, (m) the compliance with the University of its obligations under the Ground Lease, and (n) general economic conditions. No representation or assurances can be made that Revenues will be generated from the operation of the Series 2024 Project in amounts sufficient to pay maturing principal and interest on the Series 2024 Bonds.

Consequences of Changes in the Foundation’s Tax Status

The Foundation has obtained a determination letter from the Internal Revenue Service stating that it will be treated as an exempt organization as described in §501(c)(3) of the Federal Tax Code and can reasonably be expected to not be classified as a “private foundation.” In order for the Foundation to maintain its exempt status and to not be considered a private foundation, the Foundation and the Borrower will be subject to a number of requirements affecting their operations. The possible modification or repeal of certain existing federal income tax laws, the change of Internal Revenue Service policies or positions, the change of the Foundation’s or the Borrower’s method of operations, purposes or character or other factors could result in loss by the Foundation of its tax-exempt status.

The Borrower will covenant to cause the Foundation to remain eligible for such tax-exempt status and to avoid operating the Series 2024 Project as an unrelated trade or business (as determined by applying §512(a) of the Federal Tax Code). Failure of the Series 2024 Project to remain so qualified or of the Borrower so to operate the Series 2024 Project could affect the funds available to the Borrower for payments under the Lease Agreement by subjecting the Foundation and the Borrower to federal income taxation and could result in the loss of the excludability of interest on the Series 2024 Bonds from gross income for purposes of federal income taxation. Continuation of the tax-exempt status of the Series 2024 Bonds may also be dependent upon the continuing tax-exempt status of the Foundation. See “—Effect of Determination of Taxability” below.

Effect of Determination of Taxability

The Borrower, the University and the Authority each will covenant not to take any action that would cause the Series 2024C Bonds to be arbitrage bonds or that would otherwise adversely affect the federal income tax status of interest on the Series 2024C Bonds and have each made representations with respect to certain matters within its knowledge which have been relied on by Bond Counsel and which Bond Counsel has not independently verified. Failure by the parties to the Lease Agreement, the Tax Agreement and the Indenture to comply with their respective covenants thereunder could result in interest on the Series 2024C Bonds becoming includable in gross income for federal tax purposes.

It is possible that a period of time may elapse between the occurrence of the event which causes interest to become taxable and the determination that such an event has occurred. In such a case, interest previously paid on the

Series 2024C Bonds could become retroactively taxable from the date of their issuance. Additionally, certain owners of Series 2024C Bonds are subject to possible adverse tax consequences. See “TAX MATTERS” herein.

Taxation of Series 2024 Bonds

An opinion of Bond Counsel will be obtained as described under “TAX MATTERS” herein. Such an opinion is not binding on the Internal Revenue Service. Application for a ruling from the Internal Revenue Service regarding the status of the interest on the Series 2024C Bonds has not been made. The opinion of Bond Counsel contains certain exceptions and is based on certain assumptions described herein under the heading “TAX MATTERS.” Failure by the Authority, the Borrower or the University to comply with certain provisions of the Federal Tax Code and covenants contained in the Indenture, the Lease Agreement, and the Tax Agreement could result in interest on the Series 2024C Bonds becoming includable in gross income for federal tax purposes.

Bond Counsel has not opined as to whether interest on the Series 2024 Bonds is subject to state or local income taxation other than in the State of Alabama. Each purchaser of the Series 2024 Bonds should consult his or her own tax advisor regarding the taxable status of the Series 2024 Bonds in a particular state or local jurisdiction other than the State of Alabama.

Risk of Audit by Internal Revenue Service

The Internal Revenue Service has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Internal Revenue Service, interest on such tax-exempt obligations is includable in the gross income of the owners thereof for federal income tax purposes.

No assurances can be given as to whether the Internal Revenue Service will commence an audit of the Series 2024C Bonds. If an audit is commenced, under current procedures the Internal Revenue Service is likely to treat the Authority as the taxpayer and the Bondholders may have no right to participate in such procedure. The Underwriters and Bond Counsel will not be obligated to defend the tax-exempt status of the Series 2024C Bonds. The Authority and Bond Counsel will not be responsible to pay or reimburse the cost of any Bondholders with respect to any audit or litigation relating to the Series 2024C Bonds.

Market and Prices for the Series 2024 Bonds

The Underwriters will not be obligated to repurchase any of the Series 2024 Bonds and no representation is made concerning the existence of any secondary market therefor, nor can any assurance be given that any secondary market will develop following the completion of the offering of the Series 2024 Bonds, and no assurance can be given that initial offering prices for the Series 2024 Bonds will continue for any period of time. Any prospective purchaser of the Series 2024 Bonds, therefore, should undertake an independent investigation through its own advisors regarding the desirability and practicality of the investment in the Series 2024 Bonds. Any prospective purchaser should be fully aware of the long-term nature of an investment in the Series 2024 Bonds and should assume that it will have to bear the economic risk of its investment indefinitely. Any prospective purchaser of the Series 2024 Bonds that does not intend or that is not able to hold the Series 2024 Bonds for a substantial period of time is advised against investing in the Series 2024 Bonds.

LITIGATION

The Authority

There is not now pending or threatened any litigation restraining, enjoining, or in any manner questioning or affecting: the creation, existence or organization of the Authority; the title of any members or officers of the Authority to their respective positions or offices; the authority of the Authority to issue the Series 2024 Bonds or execute and deliver the financing documents contemplated by the Series 2024 project that the Authority is a party to; the Enabling Law, the Series 2024 Bonds, or any provision of any thereof; or any proceedings or other matters in connection with any of the foregoing.

There are no legal proceedings pending or threatened against the Authority which may materially affect the ability of the Authority to perform its obligations to the Owners of the Series 2024 Bonds.

The Borrower

There is not now pending or threatened any litigation restraining, enjoining, or in any manner questioning or affecting: the creation, existence or organization of the Borrower; the title of any members or officers of the Borrower to their respective positions or offices; the authority of the Borrower to issue the Series 2024 Bonds or execute and deliver the financing documents contemplated by the Series 2024 project that the Borrower is a party to, or any provision of any thereof; or any proceedings or other matters in connection with any of the foregoing.

There are no legal proceedings pending or threatened against the Borrower which may materially affect the ability of the Borrower to perform its obligations to the Owners of the Series 2024 Bonds.

The University

There is not now pending or threatened any litigation restraining, enjoining, or in any manner questioning or affecting: the creation, existence or organization of the University; the authority of the University to execute and deliver the any financing documents contemplated by the Series 2024 project that the University is a party to, or any provision of any thereof; or any proceedings or other matters in connection with any of the foregoing.

In the normal course of business, the University is a defendant in various litigation matters. In management's opinion, the ultimate resolution of these matters will not have a material adverse effect on the financial position or results of operations of the University.

There are no legal proceedings pending or threatened against the University which may materially affect the ability of the University to perform its obligations to the Owners of the Series 2024 Bonds.

TAX MATTERS

The Tax-Exempt Bonds

General. In the opinion of Maynard Nexsen PC, Bond Counsel, to be delivered on the date of issuance of the Series 2024C Bonds in substantially the form of Appendix F (subject to amendment to comply with facts and law on such date of delivery), under existing law and subject to certain assumptions and qualifications set forth in such opinion, interest on the Series 2024C Bonds is: (i) excludable from gross income for purposes of federal income taxation, subject to continuing compliance by the Authority, the Borrower and the University with the applicable provisions of the Federal Tax Code, therefor; (ii) is not an item of tax preference for purposes of the federal alternative minimum tax, provided, as a result of amendments to the Federal Tax Code, enacted pursuant to the Inflation Reduction Act of 2022, interest on the Series 2024C Bonds may be taken into account for purposes of the alternative minimum tax imposed by Section 55(b)(2) of the Federal Tax Code, on "applicable corporations" as defined in Section 59(k) of the Federal Tax Code; and (iii) exempt from State of Alabama income taxation.

The continued exclusion of interest on the Series 2024C Bonds from gross income for purposes of federal income taxation, and the continued exemption of interest on the Series 2024C Bonds from Alabama income taxation, may be adversely affected, or terminated (in some cases retroactive in effect to the date of issuance of the Series 2024C Bonds), by events occurring subsequent to the issuance of the Series 2024C Bonds, including without limitation: (i) failure by the Authority, the Borrower and the University to comply with the applicable requirements of the Federal Tax Code that must be satisfied subsequent to the issuance of the Series 2024C Bonds, (ii) the enactment of tax legislation by the United States Congress or the Legislature of Alabama, or (iii) decisions rendered by federal or state courts, or (iv) the amendment, interpretation or enforcement of applicable regulations under the Federal Tax Code.

IRS Audit Program. The Internal Revenue Service conducts an audit program to examine compliance with the requirements of the Federal Tax Code for the continued exclusion of interest on governmental obligations, such as the Series 2024C Bonds, from gross income for purposes of federal income taxation. If the Series 2024C Bonds

are examined, under current Internal Revenue Service procedures, in the initial stages of an audit with respect to the Series 2024C Bonds the Authority would be treated as the taxpayer, and the owners of the Series 2024C Bonds may have limited rights, if any, to participate in the audit process. The initiation of an audit with respect to the Series 2024C Bonds could adversely affect the market value and liquidity of the Series 2024C Bonds prior to any final determination as to whether interest on the Series 2024C Bonds is subject to federal income taxation. If an audit results in a final determination that the interest on the Series 2024C Bonds is not excludable from gross income for purposes of federal income taxation, such a determination may cause interest on the Series 2024C Bonds to be subject to federal income taxation retroactive in effect to the date of issuance of the Series 2024C Bonds.

No Redemption or Payment if Series 2024C Bonds are Taxable. The Indenture does not provide, and the Authority, the Borrower, the Foundation and the University will have no liability, for the redemption of any of the Series 2024C Bonds, or the payment of any additional interest, penalty, or premium, if a determination is made that the interest thereon is subject to federal income taxation, or if a subsequent change in law adversely affects the tax-exempt status of the Series 2024C Bonds or the market value or effect of investing in the Series 2024C Bonds.

Ancillary Tax Matters. Under the Federal Tax Code, (i) the exclusion of interest from gross income for purposes of federal income taxation may have certain adverse federal income tax consequences on items of income, deduction or credit for certain taxpayers, including financial institutions, certain insurance companies, recipients of Social Security and Railroad Retirement benefits, those that are deemed to incur or continue indebtedness to acquire or carry tax-exempt obligations, and individuals otherwise eligible for the earned income tax credit, and (ii) interest on the Series 2024C Bonds may be subject to a federal branch profits tax imposed on certain foreign corporations doing business in the United States and to a federal tax imposed on excess net passive income of certain Sub-Chapter S corporations.

Consultation with Tax Advisors. Prospective purchasers of the Series 2024C Bonds should consult their own tax advisers regarding the federal and state tax consequences of ownership of the Series 2024C Bonds, including without limitation the determination and treatment of original issue discount and original issue premium for federal income tax purposes.

Investment Information for Financial Institutions. The Authority has not designated the Series 2024C Bonds as “qualified tax-exempt obligations” for purposes of paragraph (3) of subsection (b) of Section 265 of the Federal Tax Code regarding interest incurred to carry tax-exempt obligations.

The Series 2024D Bonds

General. In the opinion of Bond Counsel, under existing law, interest on the Series 2024D Bonds (a) is not excludable from gross income for purposes of federal income taxation and (b) is exempt from State of Alabama income taxation.

Collateral Tax Consequences. Prospective purchasers of the Series 2024D Bonds should consult their own tax advisors regarding the federal and state tax consequences of ownership of the Series 2024D Bonds.

PROSPECTIVE PURCHASERS OF THE SERIES 2024 BONDS ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS PRIOR TO ANY PURCHASE OF THE SERIES 2024 BONDS AS TO THE IMPACT OF THE FEDERAL TAX CODE UPON THEIR ACQUISITION, HOLDING OR DISPOSITION OF THE SERIES 2024 BONDS.

UNDERWRITING

RBC Capital Markets, LLC and Stifel, Nicolaus & Company, Incorporated (the “Underwriters”) are purchasing the Series 2024 Bonds and intend to offer the Series 2024 Bonds to the original purchasers thereof at the offering prices set forth on the cover page of this Official Statement, which offering price may subsequently be changed without any requirement of prior notice. The Underwriters will purchase the Series 2024 Bonds at a price equal \$_____ (being \$_____ the principal amount thereof, plus \$_____ of [net] original issue premium and less \$_____ of Underwriters’ discount).

The Underwriters may offer and sell Series 2024 Bonds to certain dealers at prices lower than the public offering price or otherwise allow concessions to such dealers who may re-allow concessions to other dealers. Any discounts and/or commissions that may be received by such dealers in connection with the sale of the Series 2024 Bonds will be deducted from the Underwriters' discount.

The Borrower will agree to indemnify the Underwriters against certain civil liabilities, including certain liabilities under federal securities laws. Under existing statutes, regulations, and court decisions, the enforceability of such an agreement to indemnify is uncertain.

SPECIAL RELATIONSHIPS

RBC Capital Markets, LLC ("RBCCM") has provided the following information for inclusion in this Official Statement: RBCCM and its affiliates are full-service financial institutions engaged in various activities which may include securities trading, commercial and investment banking, municipal advisory, brokerage, and asset management. In the ordinary course of business, RBCCM and its affiliates may actively trade debt and, if applicable, equity securities (or related derivative securities) and provide financial instruments (which may include bank loans, credit support or interest rate swaps). RBCCM and its affiliates may engage in transactions for their own accounts involving the securities and instruments made the subject of this securities offering or other offering of the Authority. RBCCM and its affiliates may also communicate independent investment recommendations, market color or trading ideas and publish independent research views in respect of this securities offering or other offerings of the Authority. RBCCM does not make a market in credit default swaps with respect to municipal securities at this time but may do so in the future.

Stifel, Nicolaus & Company, Incorporated ("Stifel") has provided the following information for inclusion in this Official Statement: Stifel and its affiliates comprise a full service financial institution engaged in activities which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. Stifel and its affiliates may have provided, and may in the future provide, a variety of these services to the Authority or the University, and to persons and entities with relationships with the Authority or the University, for which they received or will receive customary fees and expenses.

In the ordinary course of these business activities, Stifel and its affiliates may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the Authority or the University (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the Authority or the University.

Stifel and its affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire such assets, securities and instruments. Such investment and securities activities may involve securities and instruments of the Authority or the University.

A Managing Director of Stifel, an Underwriter for the Series 2024 Bonds, Mr. Michael P. Dunn, is a member of the Board of Trustees of the University.

Maynard Nexsen PC is acting as bond counsel to the Authority in connection with the issuance of the Bonds. Maynard Nexsen PC has also represented an Underwriter, Stifel, Nicolaus & Company, Incorporated, and the Trustee from time to time in connection with matters unrelated to the Series 2024 Bonds.

OPINIONS AND ENGAGEMENT OF BOND COUNSEL

Opinions of Bond Counsel

Maynard Nexsen PC has acted as Bond Counsel to the Authority in connection with the issuance of the Series 2024 Bonds. Bond Counsel is expected to deliver the opinions thereof in substantially the forms set forth in

Appendix F hereto, subject to amendment to comply with relevant facts and applicable law on such date, on the date of delivery of and payment for the Bonds.

The opinions of Bond Counsel (a) are given, and are effective, on the date thereof in reliance upon the certification by the Authority, the Borrower and the University of certain covenants, expectations and facts as of such date, upon review of state and federal law in effect on such date, and upon the assumption the Authority, the Borrower and the University will comply with the requirements of the Federal Tax Code which are applicable subsequent to the issuance of the Series 2024C Bonds for the continued exclusion of interest on the Series 2024C Bonds from gross income for purposes of federal income taxation, (b) must be read in the entirety thereof for an understanding of the scope thereof and the bases therefor, (c) express the professional judgment of Bond Counsel with respect, and are limited, to the conclusions explicitly stated therein, but do not constitute a guarantee of such conclusions or of the outcome of any audit or legal dispute that may arise with respect to the Series 2024 Bonds, and (d) are not binding upon any Governmental Person, including without limitation the Internal Revenue Service.

Termination of Engagement of Bond Counsel Upon Issuance of Series 2024 Bonds

The engagement of Bond Counsel with respect to the Series 2024 Bonds and the Authority shall terminate on the date of delivery of the opinions of Bond Counsel set forth in Appendix F hereto and, unless separately engaged, Bond Counsel will not undertake, and shall have no obligation or undertaking with respect to, any of the following subsequent to such date: (a) to advise the Authority or any Owner of any changes in fact or law which may affect such opinions or the tax treatment, under federal or state law, of an Owner as a result of the receipt of interest on a Series 2024 Bond; (b) to determine, monitor, or advise the Authority or any Owner with respect to the compliance by the Authority, the Borrower and the University with the requirements of the Federal Tax Code which are applicable subsequent to the issuance of the Series 2024C Bonds for the continued exclusion of interest on the Series 2024C Bonds from gross income for purposes of federal income taxation; (c) to determine, monitor or advise the Authority or any Owner of the occurrence or nonoccurrence of any action or event that may adversely affect the liquidity or market value of the Series 2024 Bonds; or (d) to defend or represent the Authority or any Owner, or otherwise participate, in any action or audit that may arise under federal or state law with respect to the Series 2024 Bonds.

RATING

Moody's Investors Service, Inc. ("Moody's") has assigned a rating of "Baa2" to the Series 2024 Bonds. A rating reflects only the views of the rating agency assigning such rating, and an explanation of the significance of such rating may be obtained from such rating agency. There is no assurance that the rating will continue for any given period of time or that the rating will not be revised downward or withdrawn entirely by the rating agency if, in its judgment, circumstances so warrant. Any such downward revision or withdrawal of the rating may have an adverse effect on the market price of the Series 2024 Bonds.

LEGAL MATTERS AND OTHER ADVISORS

All legal matters incidental to the authorization and issuance of the Series 2024 Bonds will be subject to the approving opinions of Maynard Nexsen PC, Birmingham, Alabama, Bond Counsel, the forms of which are included as Appendix F hereto. Certain legal matters will be passed upon for the Borrower and the Foundation by Hand Arendall Harrison Sale LLC, Mobile, Alabama; for the University by Dentons Sirote PC, Birmingham, Alabama; for the Development Manager by Michael Best & Friedrich LLP, Madison, Wisconsin; and for the Underwriters by Kutak Rock LLP, Denver, Colorado.

Bond Counsel has been engaged primarily for the purpose of preparing certain legal documents and supporting certificates, reviewing the transcript of proceedings by which the Series 2024 Bonds have been authorized to be issued, and rendering opinions as to the validity and enforceability of the Series 2024 Bonds and to the exemption or lack thereof of interest thereon from income taxation by the United States of America. While Bond Counsel has assisted in the preparation of this Official Statement and is of the opinion that the statements and descriptions made herein under the headings "THE SERIES 2024 BONDS," and "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2024 BONDS," fairly and accurately summarize the provisions purported to be summarized therein, the Indenture and the Lease Agreement substantially conform to the forms contained "FORM OF TRUST

“INDENTURE” in Appendix D-1 and “FORM OF LEASE AGREEMENT” in Appendix D-2, and the statements made herein under the captions “SPECIAL RELATIONSHIPS” (only as they relate to Bond Counsel) and under this caption (only as they relate to Bond Counsel), accurately reflect their engagement as bond counsel in connection with the transaction contemplated herein, such counsel has not been engaged to confirm or verify, has not confirmed or verified, and will express no opinion with respect to the accuracy, completeness, or fairness of any other information contained in this Official Statement (other than the form of legal opinions set forth in Appendix F).

None of the legal counsel referenced in this Official Statement has (a) participated in the underwriting of the Series 2024 Bonds, (b) provided any advice regarding the creditworthiness of the Series 2024 Bonds, or (c) assisted in determining the value of the collateral for the Series 2024 Bonds upon the occurrence of an event of default. Legal counsel have solely and exclusively opined to those matters which are expressly set forth in their opinions which are attached hereto or which have been delivered in connection herewith and no holder of a Series 2024 Bond shall be authorized or entitled to infer that such legal counsel have rendered opinions beyond those stated in their written opinions or to rely on the participation of counsel in this transaction. Except for negligent errors in their express written opinions, legal counsel shall have no obligations to holders of the Series 2024 Bonds and holders of the Series 2024 Bonds must not rely either expressly or implicitly upon such counsel in determining whether the Series 2024 Bonds represent suitable investments or otherwise meet their creditworthiness and risk tolerance standards.

CONTINUING DISCLOSURE

In accordance with Securities and Exchange Commission Rule 15c2-12 (the “Rule”) and so long as the Series 2024 Bonds are Outstanding, the Borrower has agreed pursuant to a Continuing Disclosure Agreement between the Borrower and the Trustee, as dissemination agent, dated as of June 1, 2024 (the “Borrower Continuing Disclosure Agreement”), to cause certain information about the Borrower and the Recreation Facility to be provided to the Municipal Securities Rulemaking Board for availability to the public on its Electronic Municipal Market Access web site known as EMMA. The form of the Borrower Continuing Disclosure Agreement has been included as Appendix E-1 hereto.

Additionally, in accordance with the Rule, and so long as the Series 2024 Bonds are Outstanding, the University has agreed pursuant to a Continuing Disclosure Agreement, dated as of June 1, 2024 (the “University Continuing Disclosure Agreement” and, together with the Borrower Continuing Disclosure Agreement, the “Continuing Disclosure Agreements”), to cause certain information about the University to be provided to the Municipal Securities Rulemaking Board for availability to the public on its Electronic Municipal Market Access web site known as EMMA. The form of the University Continuing Disclosure Agreement has been included as Appendix E-2 hereto.

The Continuing Disclosure Agreements provide bondholders with certain enforcement rights in the event of a failure by the Borrower or the University to comply with the terms thereof, respectively. However, a default under the Continuing Disclosure Agreements does not constitute a default under the Indenture or the Bond Lease. The Continuing Disclosure Agreements may be amended or terminated under certain circumstances in accordance with the Rule as more fully described therein. Bondholders are advised that the Continuing Disclosure Agreements, copies of which are available at the office of the Trustee, should be read in its entirety for more complete information regarding its contents. The Borrower has not previously entered into a continuing disclosure undertaking pursuant to the Rule. The University has previously entered into certain continuing disclosure undertaking pursuant to the Rule in connection with its outstanding indebtedness. The University failed to file notice of the incurrence of a term loan in the principal amount of \$84,706,398.68 (the “UFI Term Loan”), made to the University as of June 30, 2023, by United Financial of Illinois, Inc., within the periods required by certain of its past continuing disclosure agreements. On March 8, 2024, the Board made a filing with EMMA providing notice of the incurrence of such UFI Term Loan and notice of the failure to timely file notice thereof.

MISCELLANEOUS

The information set forth herein relating to the Borrower and the Foundation has been furnished by the Borrower.

The information set forth herein relating to the University has been furnished by the University.

The information set forth herein relating to the Development Manager in “SHORT STATEMENT—The Samford Horizons Campus Master Plan and the Development Team—*The Development Manager*” and “THE DEVELOPMENT MANAGER AND THE DEVELOPMENT AGREEMENTS” has been furnished by the Development Manager.

The Authority has furnished only the information included herein under the headings, “THE AUTHORITY,” and “LITIGATION—The Authority.”

Any statements made in this Official Statement involving estimates or matters of opinion, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates or matters of opinion will be realized. Neither this Official Statement nor any statement that may have been made orally or in writing is to be construed as a contract with the owners of the Series 2024 Bonds.

The Borrower has duly authorized the execution, delivery, and distribution of this Official Statement in connection with the offering of the Series 2024 Bonds.

CHF – HORIZONS II, L.L.C.

By: **COLLEGiate HOUSING FOUNDATION**,
its sole member

By: _____
William B. Givhan
President

APPENDIX A-1
INFORMATION REGARDING SAMFORD UNIVERSITY
GENERAL

University Mission, Vision, and Values

Mission. Samford University (“Samford” or the “University”) nurtures persons in their development of intellect, creativity, faith and personhood. As a Christian university, the community fosters academic, career and ethical competency while encouraging social and civic responsibility and service to others.

Vision. Anchored in Christian understanding, Samford University will be a diverse community, stressing vigorous learning and personal faith, in the Baptist tradition. Within that commonality, the community will be innovative in teaching, learning and research; sensitive to global issues; and aggressive in self-assessment and continuous improvement. Faithful to its mission, Samford will be known and acknowledged worldwide by holding to its core values. The world will be better for it.

Core Values. The Samford community values lifelong:

- Belief in God, the Creator of heaven and earth, and in Jesus Christ, His only Son, our Lord, and in the Holy Spirit
- Engagement with the life and teachings of Jesus
- Learning and responsible freedom of inquiry
- Personal empowerment, accountability and responsibility
- Vocational success and civic engagement
- Spiritual growth and cultivation of physical well-being
- Integrity, honesty and justice
- Appreciation for diverse cultures and convictions
- Stewardship of all resources
- Service to God, to family, to one another and to the community

Institutional Profile

Samford is one of the country’s leading Christian universities and offers undergraduate programs grounded in the liberal arts with an array of nationally recognized graduate and professional schools. Founded in 1841, Samford is the 87th-oldest institution of higher learning in the United States. Located in the Birmingham, Alabama suburb of Homewood, the university’s campus covers approximately 247 acres and is renowned for its beauty and Georgian-Colonial style architecture. The university currently enrolls 5,791 students from 49 states, the District of Columbia and 16 countries. The student-to-faculty ratio is 14:1, with an average undergraduate class size of 19 people.

Samford offers undergraduate and graduate degrees across 10 academic schools: arts, arts and sciences, business, divinity, education, health professions, law, nursing, pharmacy, and public health. The university has one of three accredited law schools and one of only two accredited pharmacy schools in Alabama. Samford’s Beeson Divinity School is the only fully accredited graduate divinity school based in Alabama. The university is classified by the Carnegie Commission on Higher Education as a national doctoral/professional institution.

Samford's mission to nurture student development intellectually, ethically and spiritually is fostered through an array of opportunities, including 182 student organizations, global engagement in more than 14 different countries and a wide array of courses that incorporate community service. Additionally, undergraduate students complete Samford's core curriculum, providing a well-rounded foundation in the liberal arts. The result is a highly-tailored educational experience that results in 97% of undergraduate alumni employed or in further study within six months of graduation.

In January 2023, Samford announced its new strategic plan, titled *Fidelitas: Faith and Future*. The new plan emphasizes eight focus areas: Academic Distinction, Student Engagement, Faith Formation, Athletic Success, Global Influence, Financial Stewardship & Strength, Community Celebration and Employee Elevation. To support the continued advancement of new strategic initiatives, the university launched a capital campaign in fall 2016 titled Forever Samford. The six-year, \$300 million campaign provides new financial resources to support student scholarship, academic programs and capital projects. In May 2022, the university announced receipt of a \$100 million dollar gift from the estate of alumnus Marvin Mann, the largest gift to the university from a single donor and the largest single gift ever made to any higher education institution in the state of Alabama. The transformative gift will support student scholarships and the university's Frances Marlin Mann Center for Ethics and Leadership, which was founded in 2008. Samford maintains a strong endowment with investments totaling \$430 million (December 2023) which supports scholarships, study abroad opportunities, general operations and other programs. In addition to the main campus in Homewood, the university owns a house in Marion, Alabama used for cultural study and service, and the Daniel House, a study center located in the heart of London, England near Kensington Park.

Samford's 57,062 alumni have included more than 60 members of the U.S. Congress, eight state governors, two U.S. Supreme Court justices, one U.S. Secretary of State, four Rhodes Scholars, multiple Emmy and Grammy award-winning artists, two national championship football coaches, and recipients of the Pulitzer and Nobel Peace prizes.

The university fields 17 intercollegiate sports—eight men's and nine women's—that participate at the NCAA Division I level. The Samford Bulldogs have won 74 conference championships since joining the Southern Conference in 2008. Samford has a long history of performing among the nation's elite universities for its combination of excellence in academic and athletic performance. In 2023, Samford's athletic teams earned a 98% Graduation Success Rate by the NCAA, ranking sixth among all Division I universities in the nation, along with an impressive group of peer institutions including Duke, Notre Dame, Northwestern and Princeton.

Rankings and Recognitions. Other notable honors and recognitions for Samford University include the following:

Ranked #1 in the nation for student engagement by *The Wall Street Journal* (2022).

Ranked #10 in the nation by *The Wall Street Journal* (2024) for career preparation.

Ranked #113 for best value among U.S. schools and #185 overall among all national universities by *U.S. News & World Report* (2024).

Ranked #1 in Alabama according to *The Wall Street Journal* (2016-2021).

A 98% Graduation Success Rate by the NCAA, ranking sixth among all Division I universities in the nation (2023).

Cumberland School of Law is ranked 4th in the nation for trial advocacy by *U.S. News & World Report* (2024). The law school ranked 6th in the nation for best quality of life and 7th in the nation for best resources for women by the *Princeton Review* (2023).

Institutional History

Founded by a group of educational, economic and Baptist leaders, Samford was established by a charter issued directly by the Legislature of the State of Alabama on December 29, 1841. The school first opened its doors to students on January 3, 1842. Originally located in Marion, Alabama, the college was first known as Howard College, named in honor of English social reformer John Howard. The college survived two destructive fires and a partial paralysis of operations during the Civil War and Reconstruction. In 1887, the institution was moved from Marion to the East Lake section of Birmingham to obtain wider exposure and stronger financial support. The institution moved in 1957 to its present location in Homewood.

Howard College gained membership in the Southern Association of Colleges in 1920. The establishment of the Teacher Education Division in 1914 and Division of Pharmacy in 1927 highlighted the school's continuous growth throughout the years. Cumberland School of Law, established in 1847 in Lebanon, Tennessee, was acquired by the university in 1961.

The name of Howard College was changed to Samford University in 1965 to recognize the addition of professional schools and to honor Frank Park Samford, who was chairman of Liberty National Life Insurance Company, a generous benefactor of the institution, and a former chairman of its Board of Trustees.

The Ida Moffett School of Nursing, owned by the Baptist Medical Center of Birmingham, was added to the university in 1973. In 1988, Beeson Divinity School was established and endowed through the generosity of Ralph W. Beeson. In 1996, the Board of Trustees named the School of Pharmacy in honor of alumnus R. Clayton McWhorter to recognize his generous support of that school. In 2007, the business school was named the Brock School of Business in honor of Birmingham banker and longtime trustee and benefactor Harry B. Brock Jr.

On February 26, 2013, Samford announced Board of Trustee approval to create a College of Health Sciences, beginning in the 2013–14 academic year. The multi-disciplinary college includes the Moffett & Sanders School of Nursing and McWhorter School of Pharmacy as well as two new schools founded in 2013, the School of Health Professions and the School of Public Health. On December 31, 2014, the university acquired an adjacent property of 28 acres and three office buildings, two of which have been updated to house the College of Health Sciences.

Accreditations

Samford is accredited by the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC). The variety of undergraduate and graduate programs provided through 10 schools requires the investment of significant, dedicated resources to ensure full compliance with all accreditation standards. Throughout its history, Samford has maintained accreditation across its many programs and schools.

In addition to SACSCOC institutional accreditation, many of Samford's academic programs have achieved specialized accreditation, recognition, or approval by one or more of the following professional organizations:

- Accreditation Council for Education in Nutrition and Dietetics (ACEND)
- Accreditation Council for Pharmacy Education (ACPE)
- Alabama State Department of Education (ALSDE)
- American Bar Association (ABA)
- Association of Theological Schools (ATS)
- Association to Advance Collegiate Schools of Business (AACSB)
- Commission on Accreditation of Healthcare Management Education (CAHME)
- Commission on Collegiate Nursing Education (CCNE)
- Commission on Accreditation in Physical Therapy Education (CAPTE)
- Council for the Accreditation of Educator Preparation (CAEP)
- Council on Academic Accreditation in Audiology and Speech-Language Pathology (CAA)
- Council on Accreditation of Nurse Anesthesia Educational Programs (COA)
- Council for Interior Design Accreditation (CIDA)
- Council on Social Work Education (CSWE)

National Architectural Accrediting Board (NAAB)
National Association of Schools of Music (NASM)
National Association of Schools of Art and Design (NASAD)
National Association of Schools of Theatre (NAST)
National Council on Family Relations¹⁴
Public Relations Society of America (PRSA Certification)

The following professional program will seek accreditation upon graduation of its first student cohort, as required by the respective accrediting organization:

Master of Public Health - Council on Education for Public Health (CEPH)

The following professional program has been granted accreditation-provisional status:

Master of Science in Physician Assistant Studies - Accreditation Review Commission on Education for the Physician Assistant (ARC-PA)

The following professional program has applied for and received approval to be a candidate for certification:

Bachelor of Science in Healthcare Administration - Association of University Programs in Health Administration (AUPHA)

BOARD OF TRUSTEES AND ADMINISTRATION

The Board of Trustees

Samford is governed by a board of trustees. In addition to active trustees who are elected to four-year terms, the board also includes four life trustees and two honorary trustees. Active and life trustees enjoy full voting rights. Active trustees may serve three consecutive four-year terms but are ineligible for re-election for one year following the 12th year of service. Each year the board of trustees has three regularly scheduled meetings. The executive committee of the board of trustees likewise has three regularly scheduled meetings per year. Both the full board and the executive committee may have special meetings as allowed by the university bylaws.

Members of the Samford board of trustees include the following:

Name and Residence	Office Held	Occupation
Hon. Karon O. Bowdre Birmingham, Alabama	Chair	U.S. District Court Judge (2011-2023) Northern District of Alabama
Andrew B. Cundiff Birmingham, Alabama	Vice Chair	Financial Adviser, Wells Fargo Advisors
Sherri Foyt Vestavia Hills, Alabama	Secretary	Former Elementary School Teacher
Brent Fielder Atlanta, Georgia	Assistant Secretary	Senior Director of Corporate Social Responsibility, Chick-fil-A, Inc.

¹⁴ The Human Development and Family Science undergraduate program at Samford has been reviewed by the [National Council on Family Relations](#). It has been recognized as an NCFR CFLE-approved program offering coursework covering the content required for the Certified Family Life Educator (CFLE) designation. Graduates of NCFR CFLE-approved programs qualify to apply for the CFLE designation via the CFLE-approved program process.

Name and Residence	Office Held	Occupation
Amy Allen Birmingham Alabama	Trustee	President and CEO of Baptist Health System, Inc.
Linda H. Bachus Vestavia Hills, Alabama	Trustee	Former Lecturer, Samford University
John E. Bell Jr Birmingham, Alabama	Honorary Trustee	Consultant, Oil Equipment Co., Inc.
Andy D. Birchfield Montgomery, Alabama	Trustee	Attorney, Beasley Allen Law Firm
Verne Bragg Windermere, Florida	Trustee	India/U.S. (INDUS) Managing Partner, Audit Practice Leader, Grant Thornton
John L. Cantelow III Birmingham, AL	Trustee	Senior Pastor, Sixth Avenue Baptist Church
Charles T. Carter Birmingham, Alabama	Trustee (Life)	Retired Senior Pastor, Shades Mountain Baptist Church
Peter J. Clemens IV Franklin Tennessee	Trustee	Health Care Executive and Consultant
Julie Collier Birmingham, Alabama	Trustee	Attorney and Speaker
S. Earl Dove Vestavia Hills, Alabama	Trustee (Life)	Retired Managing Member, The Earl Dove Company, LLC
Michael P. Dunn Montgomery, Alabama	Trustee	Managing Director, Stifel/Merchant Capital Division
Rhega Gordon Madison, Alabama	Trustee	Financial Management Executive
Randy Gunter Rainbow City, Alabama	Trustee	Pastor, Meadow Brook Baptist Church, Gadsden, AL
Terry L. Hales Jr. Clemmons, North Carolina	Trustee	Vice Dean and Vice President for Academic Administration and Operations, Wake Forest School of Medicine
Robert Holmes Jr. Birmingham, Alabama	Trustee	Retired Senior Vice President, Alabama Power Company
Julie K. Jenkins Houston, Texas	Trustee	Former Marketing Professional
Brian L. Kelly Alexandria, Virginia	Trustee	Vice President for Global Policy Sempra

Name and Residence	Office Held	Occupation
John E. King Jr. Birmingham, Alabama	Trustee	Associate Director, Birmingham Baptist Association
Keith Kirkland Roswell, Georgia	Trustee	Senior Director, ACAP
Charles W. Lancaster Gadsden, Alabama	Trustee	President, Lancaster Management, Inc.
Alan Long Trussville, Alabama	Trustee	Physician and Founder Skin Diagnostics Group
Sheri P. McKean Montgomery, Alabama	Trustee	Church and Civic Volunteer
Victor E. Nichol Jr. Shoal Creek, Alabama	Trustee (Life)	Retired President and CEO, First National Banker's Bank, Alabama
Randy Pittman Birmingham, Alabama	Trustee	Retired CPA
Marlene M. Reed Crawford, Texas	Trustee	Emerita Professor, Samford University Case-writer, Baylor University
Yvette M. Richardson Fairfield, Alabama	Trustee	Dean of General Education Miles College
Zeke W. Smith Trussville, Alabama	Trustee	Retired Executive Vice President, Alabama Power Company
William J. Stevens Vestavia Hills, Alabama	Trustee (Life)	Retired President and CEO, Motion Industries, Inc.
Sharon Stuart Birmingham, Alabama	Trustee	Partner, Christian & Small LLP
Beth Thorne Stukes Jasper, Alabama	Trustee	Former Public Teacher, Civic Leader, and Philanthropist
Timothy Vines Birmingham, Alabama	Honorary Trustee	President & CEO, Blue Cross Blue Shield of Alabama
Steve Vinyard Anniston, Alabama	Trustee	Retired President and Partner FabArc Steel, Inc.
Rachel C. Wachter Daphne, Alabama	Trustee	Registered Dietitian/Diabetes Educator
Cecelia A. Walker Birmingham, Alabama	Trustee	Executive Director of Chaplaincy & Clinical Pastoral Education, Brookwood Baptist Health System

Name and Residence	Office Held	Occupation
Ronald L. Watkins Gadsden, Alabama	Trustee	President, Ronnie Watkins Ford
Mechelle Wilder Shoal Creek, Alabama	Trustee	Founding Partner, ARC Realty
Jay L. Wolf Montgomery, Alabama	Trustee	Retired Pastor, First Baptist Church of Montgomery
Danny Wood Birmingham, Alabama	Trustee	Pastor-emeritus, Shady Mountain Baptist Church

Administrative Officers

Beck A. Taylor, President. Beck A. Taylor became Samford's nineteenth president on July 1, 2021. Prior to this appointment, Taylor served as president of Whitworth University in Spokane, Washington (2010-2021), a time highlighted by community involvement; new campus infrastructure; the creation of new academic centers and programs; and the university's largest-ever comprehensive fundraising campaign. Before assuming the presidency of Whitworth, Taylor served as dean and professor of economics for Samford's Brock School of Business (2005-2010) and as associate dean for research and faculty development for Baylor University's Hankamer School of Business (1997-2005). After earning his undergraduate degree from Baylor University with majors in economics and finance, Taylor was employed as an analyst for Andersen Consulting (now Accenture) in Houston, Texas. He went on to earn his M.S. and Ph.D. in economics from Purdue University. After returning to the Baylor faculty, Taylor was named the first holder of the W.H. Smith Professorship in Economics. In 2002, he was appointed as a visiting scholar by Harvard University where he spent one year in residence at the Harvard Graduate School of Education. Taylor is a prolific scholar who is widely published and frequently cited in news media. He is a member of numerous professional and academic organizations and has served as a strategic business consultant for dozens of organizations.

Jason E. Black, Vice President for Enrollment Management. In 2022, Mr. Black was named vice president for enrollment management. Mr. Black holds a BS in Education from Samford, and a graduate degree from Samford (M.Ed.). He began serving in the admissions office at Samford in 2004. In his first year he counseled applicants from North Alabama and Louisiana. Over the next 18 years he would go on to serve in various capacities including Director of Orientation and Campus visits, Director of Admission, Dean of Admission and Assistant Vice president of Enrollment Management. Mr. Black has served many roles in the professional community. He is a member of NACAC, SACAC, College Board, AMA, and ALACRAO. He has worked in an advisory role with the College Boards Enrollment Services, Enrollment Leadership Academy, and the Enrollment Leaders Group (ELG). He has served high schools in an advisory role as well as other enrollment organizations. Mr. Black has presented at many conferences on topics including staff retention, college fit, student search, recruitment marketing, data analytics, and the college scholarship process.

Colin M. Coyne, Vice President for Finance, Business Affairs and Strategy. With work spanning 20 countries, 40 years and multiple industry sectors, Dr. Coyne most recently served as Chief Strategy Officer at Samford for nine years prior to his current appointment. Dr. Coyne's career includes extensive experience at the executive level for and within private and public organizations in the areas of corporate strategy, internationalization, finance, marketing, investment structuring, capital formation, operations, real estate, sustainability and turnarounds. Dr. Coyne earned his doctorate in Higher Education Leadership and policy from Vanderbilt University; his Master in Management degree from the Kellogg School of Management at Northwestern University with concentrations in Marketing, Finance and International Business; and his Bachelor of Science in Economics and Business Administration from Vanderbilt University. He has served as a member of Samford's faculty since 2009 and previously served on the faculties of the Kellogg School of Management, Lipscomb University, Birmingham-Southern College, and Auburn University's Economic & Community Development Institute. He has served on a number of civic and industry boards including current appointments to the boards of the American Association of University

Administrators and the Japan America Society of Alabama; is a frequent national and regional speaker on finance, global trends and strategy; and serves as a financial reviewer for the Southern Association for Colleges and Schools Commission on Colleges (SACSCOC).

J. Michael Hardin, Provost and Vice President for Academic Affairs. J. Michael Hardin joined the university administration in 2015. He holds B.A. degrees in math and philosophy from the University of West Florida, a M.S. in research design and statistics from Florida State University, and a M.A. in mathematics from the University of Alabama. He earned a Master of Divinity from New Orleans Baptist Theological Seminary and his Ph.D. in applied statistics from the University of Alabama. His areas of specialty include analytics and knowledge discovery, big data, data visualization, data warehousing, machine learning, statistical classification models, data management and collection methodologies, research design, informatics, and biostatistics. He has authored or co-authored more than 150 papers in various journals, is the author or co-author of more than 250 abstracts presented at national meetings, and has given more than 150 invited lectures or talks. Hardin is a member of numerous professional associations, including the American Statistical Association, the Biometric Society and the Institute of Mathematical Statistics. He is also a fellow of the American Statistical Association. Effective July 1, 2024, Hardin will retire from the position and return to classroom teaching at Samford.

David Cimbora, Provost and Vice President for Academic Affairs. David Cimbora will join Samford University as its next provost and vice president for academic affairs effective July 1, 2024. Cimbora has served as the executive dean of the Wellness Enterprise at George Fox University since 2020. The enterprise oversees all behavioral and health science academic disciplines. His leadership oversaw 13 programs: four undergraduate, six master's and three doctoral, eight of which have national accreditation. Prior to that, Cimbora served as dean of the College of Behavioral and Health Sciences and also served as the interim dean of the College of Business and subsequently the interim dean of the College of Education. Cimbora earned his PhD in Child Clinical Psychology from the University of Denver. Upon receiving his doctorate, he worked for Biola University from 1997 to 2019. While at Biola University, he served as associate dean of doctoral programs and as program chair for the PhD and PsyD programs in clinical psychology. Cimbora assumes the role from J. Michael Hardin who has served as Samford provost since 2015. Effective July 1, 2024, Hardin will retire from the position and return to classroom teaching at Samford.

Betsy Bugg Holloway, Vice President of Advancement and Marketing. Holloway has served on the Samford faculty since 2002 and joined the administrative team as Chief Marketing Officer in 2013. Holloway earned her B.A. from Vanderbilt University, an M.B.A. from Samford and her Ph.D. in marketing from the University of Alabama. She previously served as the Dwight Moody Beeson Chair of Business and Hackney Family Research Fellow in Samford's Brock School of Business. Her research has been honored and widely cited and includes more than 65 peer-reviewed academic publications. Holloway is a member of numerous professional and academic organizations, including leadership roles in the Council on Christian Colleges and Universities (CCCU) and the national presidency of Omicron Delta Kappa leadership honor society. Prior to her academic career, Holloway was employed by a global pharmaceutical firm, Scandipharm Inc. (now Aptalis), where she served as the company's director of international business development with responsibility for global revenue in 35 foreign markets and four global field offices. Holloway serves on corporate and civic boards, including previous appointments as a fellow of the Aspen Institute, a trustee of Vanderbilt University, and the president of the Rotary Club of Birmingham.

Joseph H. "Jody" Hunt, General Counsel. Mr. Hunt came to Samford as its General Counsel in March 2023. Hunt, who was co-valedictorian of his class at Samford, received his Bachelor of Science in Public Administration from the Howard College of Arts and Sciences. He went on to earn a Master of Arts in International Affairs from Florida State University in 1984 and his Juris Doctor from Columbia University Law School in 1989. Before joining Samford as General Counsel, Hunt served as the Senate-confirmed Assistant Attorney General in charge of the Civil Division at the U.S. Department of Justice. As head of the division, which operates as the government's law firm and is the Department of Justice's largest litigating component, he oversaw a team of more than 1,000 lawyers representing government agencies in federal court litigation across the country. He also served as Chief of Staff to the Attorney General in 2017. Hunt worked for the U.S. Department of Justice for more than two decades, serving under both Republican and Democrat administrations. He served for more than 15 years as Director of the Civil Division's Federal Programs Branch, where he supervised the government's work on high-profile litigation matters involving national security, constitutional challenges, agency rulemaking, government information, congressional oversight, and foreign affairs in federal district courts nationwide. Hunt worked in private practice both

before and after his time at the Department of Justice and was a law clerk to U.S. District Judge James H. Hancock of the Northern District of Alabama.

R. Philip Kimrey, Vice President for Student Affairs. R. Philip Kimrey has served in leadership positions at Samford since 1993, including roles as director of admission and dean of admission and financial aid. In June 2009, Kimrey was named vice president for student affairs and enrollment management and in 2022 continued as vice president for student affairs. Kimrey holds a B.A. from William Carey College and graduate degrees from New Orleans Baptist Theological Seminary (Ed.M.) and the University of Alabama (Ed.D.). Prior to serving at Samford, Kimrey served as assistant to the president, director of admission and financial aid at William Carey College in Hattiesburg, Mississippi, and as director of admission at Houston Baptist University. Kimrey has been actively involved in service to several higher education organizations, including the National Association for College Admission Counseling, the Southern Association of Admission Counseling and the College Board Southern Regional Council. He has served in various leadership positions for Dawson Memorial Baptist Church.

UNIVERSITY PROGRAMS, STUDENT DEMOGRAPHICS

University Programs

Academic Programs. Samford offers a wide variety of undergraduate programs grounded in the liberal arts and a distinct blend of graduate and professional schools. Students may choose from 176 undergraduate or 66 graduate majors, minors and concentrations. Academic programs are offered across 10 schools: arts, arts and sciences, business, divinity, education, health professions, law, nursing, pharmacy and public health.

School of the Arts. Since the earliest years of the university's history, music and dramatic arts have been a vital part of campus life. Samford's School of the Arts was established in 1915. Its mission is to prepare artists to shape the world by inspiring artistry, promoting scholarship and realizing professionalism as they serve the community in the spirit of Christ. The school enrolls 491 students, as of fall 2023, across multiple disciplines: Art and Design, Music, Architecture and Interior Design, Theatre and Dance, and Christian Ministry. In fall 2017, the school launched a new curriculum, Catalyst, designed around the principles of personal responsibility, experiential learning, collaboration, professional preparedness and vocational purpose.

New academic programs incorporated in recent years will fuel future growth in the school, including commercial music, game design and 3D animation, and an accelerated five-year Master of Architecture degree. The School of the Arts is also enhancing its facilities with significant updates to Harrison Theatre and a complete interior renovation of Buchanan Hall, home of the Division of Music.

Music, theatre, art, design and dance students benefit from participation in a wide variety of performance ensembles, main-stage productions, studio performances, visiting artists, production experience, and attendance at a diverse array of recitals, gallery exhibits and concerts. The school annually hosts over 150 faculty and student performances and exhibits that bring thousands of visitors to campus.

The School of the Arts also offers a variety of programming for the Birmingham and campus communities. The Center for Worship and the Arts equips congregations to engage in intergenerational and artistic worship practices that glorify God, honor Christ and join the transformative work of the Spirit in the world. The Academy of the Arts enrolls approximately 1,200 students annually in its arts enrichment programs, classes and camps while providing a teaching lab for Samford music students. The Ministry Training Institute equips Christians to be leaders in their churches and communities through theological education and practical ministry training. Ministry Training Institute courses are delivered online and through a vast extension network that dates back to the program's inception in 1947.

The School of the Arts is accredited by the National Association of Schools of Music (NASM), the Council for Interior Design Accreditation (CIDA), the National Association of Schools of Art and Design (NASAD), and the National Association of Schools of Theatre (NAST).

Howard College of Arts and Sciences. Howard College of Arts and Sciences (HCAS) is the oldest and largest of Samford's academic schools. Founded in 1841 and named for eighteenth-century English social reformer

John Howard, the college remains the heart of the university, inspiring students to a lifetime of inquiry and service through engaged learning, faculty research and vocational discovery within the liberal arts and the Christian ethical and intellectual traditions. A \$13.8 million renovation project, completed in 2018, provided significant new classroom, faculty and student spaces for the college.

HCAS offers the Bachelor of Arts and Bachelor of Science degrees through 13 departments and a wide array of majors, minors and interdisciplinary concentrations, as well as an online Master of Science in Environmental Management degree, graduate certificates in Environmental Management and Geographic Information Systems, and a B.A.-to-M.Div. fast-track program.

HCAS faculty also touch the lives of every Samford undergraduate through the university's Core Curriculum, introducing issues of justice, law, freedom and the duties of citizenship, and developing essential skills in critical reasoning, creative problem-solving and effective communication. Half of departmental course hours are dedicated to non-majors, so even students who do not remain in the college carry that distinctive intellectual foundation into other academic divisions and their chosen careers.

Faculty and students routinely earn regional, national and international recognition for scholarship and teaching, including multiple Carnegie Professor of the Year, Fulbright, Lilly Graduate Fellows, Phi Kappa Phi and professional association honors.

Enrollment in the college is 944 as of fall 2023.

Brock School of Business. Brock School of Business has a long history of achievements in business education. Samford has offered degrees in business and management since 1922. In 1965, the School of Business was established to offer both bachelor's and master's degrees in business. Today, the school offers the Master of Business Administration (M.B.A.) and the Master of Accountancy (M.Acc.), as well as undergraduate majors in accounting, economics, entrepreneurship, finance, management and marketing. Seven distinct concentrations are offered in data analytics; entrepreneurship and corporate innovation; social entrepreneurship, professional sales; real estate; risk management and insurance; and sports marketing.

The school was named Brock School of Business in 2007 for Birmingham banker and Samford trustee Harry B. Brock Jr., reflecting his long career in business, and his commitment to high-quality business and entrepreneurship education. Brock School of Business holds AACSB International Accreditation, the benchmark of quality worldwide and the most highly sought standard of excellence for U.S. business schools.

The mission of Brock School of Business is to deliver lifelong education to its constituents through quality teaching, meaningful scholarship and servant relationships, imbued by its Christian commitment. Total enrollment in Brock School of Business has risen from 537 in 2011 to 1,005 in fall 2023.

Beeson Divinity School. Beeson Divinity School was founded in 1988 through the generosity of the late Ralph Waldo Beeson, who desired to establish an interdenominational school that would offer quality theological education in a Christian university setting and from an explicitly evangelical perspective. The school enrolls approximately 125 students representing more than 20 Protestant denominations. Divinity students benefit from a rich environment of resources and facilities available in Samford's academic community.

Beeson Divinity School offers programs leading to three degrees: the Master of Divinity (M.Div.), a professional degree for ministry preparation; the Master of Arts in Christian Counseling (M.A.C.C.), a theologically grounded program that prepares students to counsel from a distinctly Christian perspective; and the Master of Arts in Theological Studies (M.A.T.S.), a degree in Bible and theology principally for laypersons. In 2023, the university announced two new programs, the Master in Theology (Th.M.) and the Doctor of Philosophy (Ph.D.) in Theology for the Church, the first research doctoral degree offered by the university in its 182-year history. Certificates in Anglican studies, missions and Wesleyan studies are available to students in the M.Div. program. The divinity school also offers joint degrees with three other schools at Samford: business, law and public health. All degree programs at Beeson Divinity School are accredited by the Association of Theological Schools in the United States and Canada.

The divinity school serves the university and the wider Christian community through a variety of external programs. The Global Center, with its focus on missions and world evangelization, sends divinity students into every part of the world and hosts international speakers on campus. A program of Ministry Leadership Development enhances the ministry skills of divinity students and forges strong bonds with local congregations. The Lay Academy of Theology, a noncredit adult education program, provides opportunities for laity and ministers desiring continuing education.

Beeson Divinity School's Andrew Gerow Hodges Chapel was consecrated as a hallowed place of worship in 1995 and is dedicated to the glory of the living Triune God for the service of his church and the furtherance of his kingdom. The chapel is spoken of as a "Sermon in Stone" for its gospel witness through sacred art and architecture to the Samford and Birmingham communities and the far-reaching places of the world.

Orlean Beeson School of Education. Samford established a School of Education in 1915. In 1978, the school was named to honor Mrs. Ralph W. (Orlean Bullard) Beeson, a former public school teacher, and her husband, a generous university benefactor.

The mission of Orlean Beeson School of Education is to enrich the community and empower its students to educate, lead and serve. The school offers undergraduate and graduate programs across three departments: teacher education, human development and family science, and educational leadership. Within the teacher education department, nine of its certification programs have earned state recognition status and eight certification programs have received national recognition status from their respective Specialized Professional Associations. Samford's School of Education is one of only two schools in the United States to have earned an A+ ranking from the National Council on Teacher Quality for preparing aspiring teachers in the science of reading.

Undergraduate majors include human development and family science; early childhood, elementary, and special education (ESEC); elementary education with a concentration in Christian education and missions; and secondary education. Samford's School of Education is the only institution in the state of Alabama to offer a four-in-one certification thorough the ESEC degree program. The school offers a traditional Master of Science in Education in instructional leadership and alternative Master of Science in elementary education, K-12 special education, and secondary education. Other graduate programs include an Educational Specialist degree in instructional leadership and a Doctor of Education in educational and organizational leadership.

The school enrolled 474 students in fall 2023. It is accredited by the Council for the Accreditation of Educator Preparation (CAEP) and the National Council on Family Relations (NCFR) as a Certified Family Life Educator-approved program.

Cumberland School of Law. Founded in 1847, Cumberland School of Law is the 11th oldest law school in the United States. Originally a part of Cumberland University in Lebanon, Tennessee, the law school was purchased by Samford (then Howard College) in 1961, and its library, faculty and students were transferred to the Samford campus.

The law school offers three distinct degree programs and eight joint-degree options. The core program is a Juris Doctor (J.D.). The school also delivers online degrees, the Master of Studies in Law (M.S.L.) and Master of Laws (L.L.M.), each with four areas of concentration. A certificate program is also available in each concentration. The law school sponsors an established summer study-abroad program in Cambridge, England, and, in 2024, will launch a second international program in Edinburgh, Scotland. In addition, Cumberland School of Law offers a robust Continuing Legal Education program for alumni and all attorneys in the state of Alabama.

The school enrolled 483 students in fall 2023 from diverse personal, educational and work backgrounds. Approximately one-half of the students are from states outside of Alabama. Graduates practice law in all 50 states and abroad, and have achieved distinction in all branches of government, numerous businesses and throughout the legal profession. The law school includes nationally recognized litigation and skills programs and activities. *U.S. News & World Report* ranks Cumberland 4th nationally for trial advocacy (2024) and Princeton Review ranks the school 6th nationally for best quality of life (2023) and 7th nationally for best resources for women (2023). Students publish two major law journals, the *Cumberland Law Review* and the *American Journal of Trial Advocacy*.

The law school enjoys a strong network of industry and judicial relationships throughout the country. Each year, Cumberland School of Law hosts many events, bringing to campus some of the country's leading lawyers, judges and academic scholars to share their experiences and ideas with students and faculty. The school supports numerous activities, journals, moot court and trial competitions, and student organizations focused on particular areas of the law or public policy. Additionally, the Center for Children, Law and Ethics and the law school's clinics, externships and public interest programs all help prepare practice ready lawyers.

Cumberland School of Law is accredited by the American Bar Association and the Association of American Law Schools. The health law and compliance concentration in the L.L.M. and M.S.L. programs is accredited by the Compliance Certification Board.

College of Health Sciences

On May 7, 2013, the Board of Trustees of Samford approved the organizational structure of one of the university's most innovative and bold additions, the College of Health Sciences. Four academic schools make up the College of Health Sciences, including the School of Health Professions, Moffett & Sanders School of Nursing, McWhorter School of Pharmacy and the School of Public Health. Under the umbrella of the college, students experience an innovative learning environment intentionally designed to foster interprofessional training and cutting-edge simulation and experiential learning. This approach prepares graduates to practice collaboratively, safely and effectively in the ever-evolving health care environment.

The College of Health Sciences offers an array of baccalaureate, master's and doctoral degrees that make up a major portion of the health care workforce. In August 2016, the four schools within the college relocated to newly acquired facilities on the east side of campus. Spanning more than 223,000 square feet of space across two buildings, the College of Health Sciences facilities offer students and faculty the opportunity to learn and work in an interprofessional environment that mirrors today's collaborative approach to health care delivery. The College of Health Sciences facilities include a state-of-the-art experiential learning and simulation center and numerous technologically advanced classrooms and labs.

School of Health Professions. Established in 2013, the School of Health Professions prepares leaders in a Christian environment who promote health, wellness and quality of life through excellence in professionalism, scholarship and service. The school offers baccalaureate, master's and doctoral programs across four departments: communication sciences and disorders, kinesiology, physical therapy and physician assistant studies.

Health care is increasingly delivered by teams of professionals from a range of specialties and professions working in seamless collaboration. To prepare graduates for this environment, each program's curricula was built to foster interdisciplinary collaboration among departments and with the other schools in the College of Health Sciences.

The success of the school's graduates is evidenced by their post-graduation outcomes. More than 90% of the school's graduates applying to graduate and professional programs are accepted and 95% of all health professions alumni are either employed or in graduate school within six months of graduation.

Fall 2023 enrollment in the School of Health Professions totaled 783. The school is accredited by the Commission on Accreditation in Physical Therapy Education (CAPTE) and the Council on Academic Accreditation (CAA) for the Speech Language Pathology program. Accreditation is provisional from the Accreditation Review Commission on Education for the Physician Assistant (ARC-PA) and the Council on Academic Accreditation (CAA) for the Doctor of Audiology.

Moffett & Sanders School of Nursing. Rich in tradition, Moffett & Sanders School of Nursing was founded in 1922 by the Birmingham Baptist Association as a hospital-based diploma program. In 1955, it became the first program in Alabama to achieve accreditation by the National League for Nursing, and the school has remained fully accredited throughout its existence. The nursing program moved to Samford in 1973 pursuant to an agreement with Baptist Health System. Exceptional growth and transformation have occurred since the school's inception, yet the school's objective remains unchanged - it seeks to prepare students to provide exceptional, patient-centered care.

Moffett & Sanders School of Nursing is recognized nationally as a premiere nursing school. In 2005, it was designated a Center of Excellence by the National League for Nursing for “creating environments of learning that promote innovative student learning and professional development.” In 2017 and 2021, the school was again recognized as a Center of Excellence by the National League for Nursing for creating environments that “promote the pedagogical expertise of faculty.” Since 2003, the school has received more than \$25 million in grant funding from HRSA (the U.S. Department of Health and Human Services, Health Resources and Services Administration) in support of nursing education. The graduate employment rate for 2023 was 96%.

Based on the vision and passion of legendary nurse Ida V. Moffett, four major pillars serve as the school’s foundation for the school: academic excellence; compassion; caring; and service. The school is highly regarded for an outstanding program of undergraduate, graduate and doctoral research that involves intensive student-faculty collaboration; innovative and resourceful teaching strategies and program design (i.e., interactive learning strategies, simulation, problem-based learning, computers and technology in the classroom and clinical setting); and faculty engagement in student learning. The school partners nationwide with more than 1,320 clinical agencies in 37 states, providing nursing students with an array of clinical experiences. It also provides students with numerous Christian mission opportunities at home and abroad.

Fall 2023 enrollment for the school was 739 students. The school is accredited by the Commission on Collegiate Nursing Education (CCNE) and the Council of Accreditation of Nurse Anesthesia Education Programs (COA).

McWhorter School of Pharmacy. Founded in 1927, McWhorter School of Pharmacy gained its present name in 1996 in recognition of alumnus R. Clayton McWhorter for his generous support of the pharmacy program. The mission of the school is to prepare students in a nurturing, Christian environment to be exemplary pharmacists and improve health worldwide through innovative pharmacy practice, scholarship and service.

McWhorter School of Pharmacy offers a Doctor of Pharmacy, and students also receive a Bachelor of Science in pharmacy studies after completion of the second year of the pharmacy program. Students have the option to complete in combination with the Doctor of Pharmacy one of six joint degree programs with business, health informatics, law, nutrition or public health. Fall enrollment for 2023 was 354 students. The school offers more than 250 affiliated sites for the school’s experiential program including introductory and advanced pharmacy practice experiences. The school is accredited by the Accreditation Council for Pharmacy Education (ACPE).

McWhorter School of Pharmacy has significant global outreach with over a dozen affiliations on five continents. Locally, the school collaborates with the urban Jefferson County Health Department, the urban Christ Health Center and the rural Perry County Health Department to serve the underserved and provide experiential training sites for students. Approximately 50 fourth-year pharmacy students annually complete five-week clinical training experiences in these underserved areas.

The pharmacy school operates two postgraduate pharmacy residency programs, a continuing education program and pharmacy technician training program. In August 2010, the Pharmaceutical Sciences Research Institute (PSRI) was established with the mission to enable McWhorter School of Pharmacy faculty and Samford scientists to enhance their research efforts as well as contribute to the Samford mission of teaching. A state-of-the art laboratory is the cornerstone of the PSRI that generates data for publications in peer-reviewed journals and for funding through grant mechanisms and commercial contract work for the institute’s sustainability and funding of further research projects. The accredited pharmacy residency training program provides a postgraduate year one (PGY1) residency in community pharmacy as well as a postgraduate year two (PGY2) residency in ambulatory care. The school’s continuing education program educates registered pharmacists, and the pharmacy technician training program prepares technicians who wish to seek certification by examination. The pharmacy technician training program is the only pharmacy school-based technician training program in the state.

McWhorter School of Pharmacy was ranked 2nd among private pharmacy schools in the South and 94% of its graduates were employed or in residency in 2023. Graduates have a 92% average first-time pass rate on the North American Pharmacist Licensure Examination (NAPLEX; 15-year average) and a 94% average first-time pass rate on the Multistate Pharmacy Jurisprudence Examination (MPJE; 15-year average).

School of Public Health. The mission of Samford's School of Public Health is to prepare servant leaders who demonstrate the love of God by improving the health and well-being of individuals and communities. The school's disciplines are focused on the prevention of disease and the promotion of improved health among communities and populations.

Established in 2013, the school is home to four departments: healthcare administration and informatics, nutrition and dietetics, public health and social work. The School of Public Health offers bachelor's, master's and doctoral degrees and a dietetic internship program. In addition, the school offers numerous joint degree programs in partnership with Samford's schools of pharmacy, business, divinity and the Alabama College of Osteopathic Medicine.

The School of Public Health has quickly gained recognition for the success of its programs and graduates. The school's department of Healthcare Administration was named New Program of the Year by the Association for University Programs in Health Administration (AUPHA) in 2018. Graduates of nutrition and dietetics undergraduate programs boast a 3-year pass rate of 100% on the Registered Dietitian certification exam and a 100% placement rate into a supervised program or graduate program (2020-2022). Additionally, graduates of the school's Dietetic Internship have a 3-year pass rate of 82.8% on the Registered Dietitian certification exam and 100% of graduates seeking employment were employed within six months of receiving internship certificates (2020-2022).

The school is accredited by the Accreditation Council for Education in Nutrition and Dietetics (ACEND) and the Council on Social Work Education (CSWE).

[Remainder of Page Intentionally Left Blank]

Degrees Granted

The table below reflects the number of degrees granted (August, December and May commencements during stated year):

	2018-19	2019-20	2020-21	2021-22	2022-23
B.S. in Business Admin	179	202	205	204	197
B.S. in Education	36	41	48	31	43
B.S. in Nursing	117	101	120	122	105
Bachelor of Arts	228	285	241	234	212
Bachelor of Fine Arts	22	31	38	42	48
Bachelor of Music	14	9	9	6	4
Bachelor of Music Education	2	3	9	2	2
Bachelor of Science	293	347	323	287	288
M.A. in Theological Studies	5	5	10	3	5
M.S. in Education	69	62	40	15	20
M.S. in Environmental Mgt	6	3	2	6	1
M.S. in Health Info/Analytics	2	4	4	5	6
M.S. in Nursing	48	26	27	60	47
M.S. in Physician Asst Studies	-	-	-	36	35
Master of Accountancy	29	29	22	24	24
Master of Athletic Training	3	5	5	-	-
Master of Business Admin	26	57	37	52	63
Master of Comparative Law	2	2	5	3	3
Master of Divinity	36	37	23	26	31
Master of Healthcare Admin	1	2	4	1	4
Master of Laws	-	-	7	4	1
Master of Music	5	3	2	-	6
Master of Music Education	1	5	1	1	4
Master of Public Health	12	22	27	23	30
Master of Science	46	45	27	35	31
Master of Social Work	25	16	19	24	23
Master of Studies in Law	-	-	12	26	15
Educational Specialist	18	15	7	9	1
Doctor of Education	29	26	46	25	16
Doctor of Audiology	-	-	-	10	-
Doctor of Ministry	7	5	1	9	3
Doctor of Nursing Practice	54	96	131	89	103
Doctor of Pharmacy	123	89	125	112	117
Doctor of Physical Therapy	33	30	35	34	37
Doctor of Public Health	-	-	1	5	12
Juris Doctor	<u>135</u>	<u>138</u>	<u>132</u>	<u>143</u>	<u>138</u>
Total	1,606	1,741	1,745	1,708	1,675

Admission and Student Applications

Samford maintains a high level of interest from prospective students. The University's recruiting methods establish a lasting relationship with prospective students. The result: 29% of accepted freshman applicants enroll in the university. The following tables show applications received and accepted, and students enrolled in the fall terms of the indicated academic years:

First Time Freshmen	Fall 2019	Fall 2020	Fall 2021	Fall 2022	Fall 2023
Applicants	3,912	3,868	4,217	4,337	4,541
Acceptances	3,259	3,249	3,537	3,611	3,734
Enrolled	900	971	918	972	1,080
Undergraduate Transfers	Fall 2019	Fall 2020	Fall 2021	Fall 2022	Fall 2023
Applicants	249	221	224	219	206
Acceptances	192	163	166	157	152
Enrolled	85	76	100	89	83

Enrollment

The following tables reflect the actual number of students enrolled during each of the last five academic years as measured by fall term enrollments; the graduate population is separated to identify those candidates enrolled in professional programs.

Enrollment	Fall 2019	Fall 2020	Fall 2021	Fall 2022	Fall 2023
Undergraduate	3,591	3,576	3,607	3,672	3,832
Graduate	683	776	819	757	765
Doctoral Professional (DNP, JD, D.Pharm, D. Min, DPT)	1,281	1,254	1,207	1,142	1,097
Doctoral Research (EDD)	<u>137</u>	<u>123</u>	<u>125</u>	<u>112</u>	<u>97</u>
Total Head Count	5,692	5,729	5,758	5,683	5,791
Total FTE	5,534	5,599	5,631	5,570	5,680

Geographical Distribution Enrollment by Head Count

The following table reflects the actual number of enrolled undergraduate students from within the state of Alabama, other states and foreign nations for the indicated academic years:

Undergraduate Geographical Distribution	Fall 2019	Fall 2020	Fall 2021	Fall 2022	Fall 2023
In State	1,145	1,059	1,038	1,014	1,008
Out-of-State	2,394	2,469	2,524	2,618	2,800
International	43	39	39	34	20
No information available	<u>9</u>	<u>9</u>	<u>6</u>	<u>6</u>	<u>4</u>
Total Head Count	3,591	3,576	3,607	3,672	3,832
% In State	32%	30%	29%	28%	26%

Student Quality

Incoming Freshmen	Fall 2019	Fall 2020	Fall 2021	Fall 2022	Fall 2023
Mean H.S. Average GPA	3.8	3.8	3.8	3.9	3.9
Mean ACT Composite	26	26	26	26	26

Retention and Graduation

The following table displays the retention rates of undergraduate students from the first year to the second year of attendance. Included is the percent of undergraduates graduating within four years. Column headings represent the reporting year. For example:

2023: 1st- to 2nd-Year Retention: Percent of the fall 2022 Entering Freshmen Cohort that were retained to fall 2023.

2023: Graduation Rate (4 Years): Percent of the fall 2019 Entering Freshmen Cohort that graduated within four years, or by Aug. 31, 2023.

Student Retention and Graduation Rates	Fall 2019	Fall 2020	Fall 2021	Fall 2022	Fall 2023
1st to 2nd Year Retention	89%	87%	89%	91%	88%
Graduation Rate (4 Years) by 08/31 of stated year	66	69	71	67	69

Tuition, Fees, Room and Board

The following table sets forth tuition, fee, room and board charges for the school years shown. Further increases in tuition and fees will be necessary in the future; however, Samford expects that its total charges will remain competitive with those of comparable institutions.

Undergraduate	2019-20	2020-21	2021-22	2022-23	2023-24
Tuition	\$32,000	\$33,248	\$34,410	\$35,750	\$37,144
Mandatory Fees	850	950	950	974	1,000
Room	5,970	6,150	6,150	6,336	6,558
Board	5,010	5,110	5,110	5,290	5,602
Total	43,830	45,458	46,620	48,350	50,304
Graduate Tuition	2019-20	2020-21	2021-22	2022-23	2023-24
Divinity Flat Rate	\$15,240	\$16,002	\$16,002	\$16,482	\$16,976
Pharmacy Flat Rate	38,521	39,099	39,490	39,885	41,897
Doctor of Physical Therapy					
Flat Rate	35,145	35,847	36,204	36,567	37,116
Nursing tuition @ 30 hours/year	25,860	26,640	27,180	27,720	28,830
Law tuition @ 30 hours/year	40,800	41,970	42,390	43,662	44,536
Nurse Anesthesia (3 term/year)	31,455	32,085	32,406	33,054	33,549
Business @ 30 hours/year	25,860	26,640	27,180	27,720	28,410
Speech Language Pathology @ 30 hours/year	25,860	26,640	27,180	27,720	28,260
Divinity PhD	-	-	-	-	9,450
Other Graduate tuition @ 30 hours/year	25,860	26,640	27,180	27,720	28,140
Physician Assistant Flat Rate	36,429	37,158	37,530	37,905	39,801

The university reserves the right to change tuition and fees at any time.

Student Financial Aid, Loan Market

Samford provides a variety of undergraduate student financial aid options, including loans, scholarships, grants and student employment. The university also participates in many federal student aid grant, work study and loan programs, including the Health Professions and Nursing Student Loan programs, the Supplemental Educational Opportunity Grant program, the Federal Work Study program, the Federal Direct Student Loan program, Direct Parent PLUS Loan program, Direct Grad PLUS Loan program and the Pell Grant program. On the state level, students can participate in the Alabama Student Grant program and the Alabama Student Assistance Program.

Samford reports that student loan volume remains steady. The most recent final default rate was 0.00% for the 2023 cohort (compared to the most recently published national average of 0.00%). These rates are artificially lower than normal due to the COVID19 pause on student loan repayments that began in 2020 and recently ended in late 2023. The average per-undergraduate-borrower cumulative principal borrowed by students receiving a bachelor's degree between July 1, 2022, and June 30, 2023, was \$19,685 from federal loans (compared to a national average of \$37,338). Samford believes, on the basis of the foregoing, that students and parents of Samford students were experiencing no difficulties in obtaining student loans.

The following table provides information concerning the extent to which undergraduate students have accepted financial aid for each of the most recent five aid years:

Accepted Aid	2018-19	2019-20	2020-21	2021-22	2022-23
University Scholarships/Other Awards	\$50,947,985	\$55,318,325	\$60,493,634	\$65,802,358	\$71,232,784
AL State Student, Incentive/Other Grants	772,384	1,061,640	1,071,060	1,489,340	1,737,376
Fed. Supp. Education Opportunity Grants	408,918	428,743	327,500	339,945	385,254
Federal Pell Grants	1,904,176	1,885,590	1,805,612	1,879,089	2,095,058
Federal Plus Loans	8,066,931	8,250,371	7,542,363	7,658,418	8,201,714
Federal Loans, Other	7,157,790	7,077,171	6,677,662	6,694,370	6,713,864
Federal Work Study	1,677,870	1,567,129	1,066,812	1,132,936	1,057,387
External Sources	4,896,434	5,079,481	4,357,779	3,969,175	4,386,519

Resident Housing

The following table reflects undergraduate students housed on campus in the fall over the years indicated:

Resident Halls/Student Housing	Fall 2019	Fall 2020	Fall 2021	Fall 2022	Fall 2023
Students housed in campus owned buildings	2,330	2,215	2,214	2,324	2,473
Number of residence halls	31	31	31	32	32
Percentage undergraduates living on campus	66%	61% ¹	61% ¹	63%	65%

¹ The decline in students housed and % for fall 2020 and 2021 was directly impacted by COVID-19 as some initial deposits cancelled on campus housing requests and some beds were taken offline for isolation/quarantine purposes. Also, maximum capacity may not be achieved due to gender or required ADA accommodations of residents

Faculty

The following table displays the number of faculty, tenured faculty, faculty holding terminal degrees, and the faculty-to-student ratio as of the fall semester of the stated year:

Faculty	Fall 2019	Fall 2020	Fall 2021	Fall 2022	Fall 2023
Full-time count	368	362	364	362	372
Full-time tenured	180	180	181	180	189
Student/faculty ratio	13:1	14:1	13:1	14:1	14:1
Full-time faculty with terminal degrees	86%	87%	88%	88%	87%

FINANCIAL MATTERS

Financial Accounting

The university operates on a fiscal year beginning on July 1 and ending on the next succeeding June 30.

The audited financial statements of the University for the fiscal years June 30, 2023 and June 30, 2022, are included as Appendix A-2 to this Official Statement. The significant accounting practices of the university are described in the notes to those financial statements.

The audited financial statements of the University for each fiscal year shall be available as provided in the Continuing Disclosure Agreement of the university included as Appendix G-2 to this Official Statement.

Budget Process

Samford uses a revenue driven, roll-forward and redeployment system of budgeting. Under this method, expected revenues drive the expense budget. In preparing the budget for the fiscal year (July 1–June 30), tuition and fee revenue is projected based on anticipated enrollment and board of trustees-approved tuition and fee rates for the coming year. Non-tuition revenues are estimated after historical reviews and discussions with key departments such as university advancement, business services and residence life. Revenue for endowed funds is calculated using a trustee-approved “allocation” from endowment earnings. The calculation provides for a steady distribution of earnings through market highs and lows. The annual “allocation” is roughly 5% of endowment value. For non-endowed restricted accounts, revenue is based on the anticipated gift, fee or other revenue (based on past performance), and/or accumulated balances held in the operating fund. The combined information is used to determine the level of funds available to support operations for the coming year.

The current operating expense budget is compared to projected revenues to determine the amount of additional funding available to support new or enhanced activities. Each operating unit reviews its budget and redeploy funds where appropriate. After evaluating additional funding requests from all areas, the president and senior administrators then determine the requests to be incorporated into the operating budget.

The final budget is presented to the trustees for review. The budget is comprised of two main segments: operational and capital. The operational budget reflects annual recurring activities of tuition revenue with instructional and support expenditures. The capital budget consists of those projected expenditures for facility and technology costs that meet the capitalization policy.

Fundraising

The university receives gifts, pledges and bequests in an active and ongoing annual and capital fund campaign.

Cash and property received from gifts, pledges and bequests over the last five fiscal years are shown in the following table:

	2019	2020	2021	2022	2023
Gifts	\$13,100,000	\$11,700,000	\$22,100,000	\$26,600,000	\$80,100,000*

* This includes approximately \$65 million in cash received on an estate pledge recorded in fiscal year 2022.

The Office of University Advancement is responsible for development and coordinates financial campaigns. Samford actively seeks gifts for endowment, scholarships and capital improvements as well as annual funds from alumni and friends.

Endowment

Management. The investment committee of the board of trustees was established in 1983 for the specific purpose of managing the university's investment accounts. The committee meets at least quarterly and provides regular reports to the trustees. In performance of its duties, the committee establishes the investment policy and asset allocation of endowment and pension assets, approves investment managers and consultants, and monitors the attainment of investment objectives through the review of performance reports from consultants. The committee is composed of five members of the board of trustees, and meets quarterly with the president, the vice president for finance, business affairs and strategy, and the chief investment officer.

Funds are managed externally. The university's investment consultant regularly attends the meetings of the committee to review reports and performance. In addition, reports are received monthly from the investment consultant.

Investment Policy. The university's investment committee seeks to provide a superior, long-term total return consistent with the philosophy of prudent management, stressing diversification, consistency and sensitivity to religious principles. The objective is to create a growing stream of investment income to support a portion of the university's budget while also enjoying significant appreciation. To this end, the committee maintains flexibility, and changes investment holdings and strategy to accommodate economic and market changes.

Investments-Endowment. The market value, excluding any pledges, of the university's endowment for the past five fiscal years with the corresponding total return for the fiscal years ended June 30 are presented below:

	2019	2020	2021	2022	2023
Market Value	\$301,000,000	\$288,000,000	\$365,000,000	\$339,000,000	\$417,000,000
Total Return	6.6%	0.6%	28.1%	-2.8%	7.6%

The asset allocation of the endowment fund as of June 30, 2023, was 30.5% domestic equity; 20.0% international equity; 13.3% private capital; 11.2% flexible capital; 12.2% fixed income; 9.9% real assets; and 2.9% cash.

Spending Policy. The Board of Trustees has adopted the following spending rate formula to be applied to each prospective budget year:

(Prior Year Approved Allocation) x 75% + (a board approved spending percentage rate x endowment market value at the end of the most recent completed fiscal year) x 25%.

In setting the spending rate, consideration is given to preserving the value of endowed funds, reducing the volatility of endowment withdrawals, and providing a predictable, steady flow of funds.

The Board of Trustees may change the spending rate, applying a different donor prescribed rate or calculation methodology to all or any portion of the endowment market value, or approving any other special expenditure, as deemed appropriate by the Board of Trustees.

Pensions Plans and Retirement Benefits

The university established a defined benefit pension plan, which is described in the notes to the audited financial statements of the university included as Appendix A-2 to this Official Statement. On October 31, 2012, the executive committee of the board of trustees approved a resolution to freeze eligibility for participation to new participants in the pension plan after December 31, 2012.

On September 11, 2020, the Board of Trustees approved an amendment to the Pension Plan to effectuate a hard freeze of the pension plan effective as of midnight on December 31, 2020. Active employees, who were eligible to accrue benefits under the pension plan as of December 31, 2020, were immediately eligible on the effective date of the freeze for the university's 403(b) TDA plan and were fully vested in that plan.

On December 4, 2012, the board of trustees approved an amendment to the university's 403(b) TDA Plan to include employer matching and non-elective contributions for qualified employees employed on or after January 1, 2013.

On September 11, 2020, the Board of Trustees approved an amendment to the 403(b) TDA plan. Beginning January 1, 2021, all eligible employees, including active employees who were eligible to accrue benefits under the pension as of December 31, 2020, are automatically enrolled with an election to contribute 3% of his or her Samford compensation, unless the employee instructs Human Resources to stop the automatic contributions, or the employee selects a different contribution percentage. For five years (or earlier employment termination date) beginning with the calendar year commencing on January 1, 2021, Samford will make certain transition contributions to the 403(b) accounts of active employees who were eligible to accrue benefits under the Pension Plan as of December 31, 2020, who (i) work 1,000 hours for Samford during the calendar year, and (ii) are employed by the University on the last day of the calendar year. Such amounts will be determined based on the employee's age and Pension Plan Credited Service on December 31, 2020. Transition contributions range from 0% to 7% and will be made based upon the applicable percentage multiplied by the eligible employee's annual compensation. For eligible employees, the University will make a dollar-for-dollar match of all employee deferrals up to 3% of eligible compensation. The University match and contribution are vested at the rate of 20% per year. The University incurred contribution expense of approximately \$5,893,000 and \$6,248,000 during fiscal years 2023 and 2022, respectively.

Insurance

Samford maintains a comprehensive liability, property and casualty insurance program. The university regularly reviews its insurance program in order to maintain, at a reasonable cost, coverages that it considers to be adequate. This review includes assessments of risks, and whether the university should self-insure or purchase insurance through a commercial carrier. If commercial insurance is purchased, the financial stability of the surety is considered before the purchase is made.

The university maintains insurance policies to provide coverage for a wide variety of claims and losses including property damage or destruction, boiler and machinery, professional liability, general liability, automobile, workers' compensation, educators' legal liability, executive risk, multimedia, crime and fiduciary, cyber and intercollegiate athletics. Samford may also purchase from time-to-time other insurance policies of various types and amounts that are considered prudent.

The property policy provides replacement cost coverage with a loss limit of \$677 million. The total insured value for buildings and contents is \$676 million, which includes \$472 million for the university's buildings.

The general liability policy provides coverage of \$1 million per occurrence and aggregate coverage of \$5 million. There is an excess liability umbrella policy of \$25 million. The crime and fiduciary liability insurance has a \$5 million policy limit and the cyber liability has a \$3 million policy limit.

The university maintains various professional liability policies, including a policy covering healthcare organizations with limits of \$1 million each claim and a \$3 million aggregate limit with excess limits of \$5 million;

educator's legal liability with limits of \$10 million per occurrence and aggregate and professional liability policies for internship programs, professional services with limits of \$1 million each claim and \$3 million aggregate.

Outstanding Long-Term Debt of the University

General. The table below shows the outstanding Long-Term Debt of the University as of June 30, 2023.

Debt	Type of Interest Rate	Outstanding Principal Amount	Maturity Date
Series 2017-A Bonds ¹	Fixed	\$46,640,000	12/1/2047
Series 2019-A Bonds ¹	Fixed	60,020,000	12/1/2049
Series 2019-B Bonds ¹	Fixed	57,755,000	12/1/2048
Series 2021-A Bonds ¹	Fixed	20,670,000	12/1/2051
Series 2021-B Bonds ¹	Fixed	33,910,000	12/1/2043
UFI Term Loan ²	Fixed	84,706,399	6/1/2054
SPC – I & II Notes Payable ³	Fixed	21,491,652	7/1/2035
JCI Infrastructure Debt ³	Fixed	27,466,309	2/1/2038

¹The outstanding long-term debt obligations that constitute Covered Parity Debt as described in the Official Statement in “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2024 BONDS—Outstanding Covered Parity Debt of the University; Cross Default”.

² The UFI Term Loan is being refinanced with proceeds of the Series 2024AB Bonds being issued concurrently herewith.

³Not considered Covered Parity Debt. See “Other Long Term Debt Obligations” below.

Other Long Term Debt Obligations. Described below are the Other Long Term Debt Obligations of Samford (collectively, the “Other Long-Term Debt Obligations”) which are not included among Covered Parity Debt but are included as University indebtedness for purposes of calculating the Pro Forma Debt Service Coverage Ratio requirements applicable to the issuance of Additional University Supported Obligations, as described in “THE AFFILIATION AGREEMENT—Additional University Supported Obligations” in this Official Statement.

SPC – I & II Notes Payable. During 2015, the University purchased property adjacent to the main campus consisting of approximately 27 acres of land and three office buildings. Subsequent to the purchase, the parcel was divided into four separate parcels, three of which contain one Class A office building. The University established four separate single member LLC entities of which the University is the sole owner and member. The parcels owned by SPCAMPUS I, LLC (“SPC I”) and SPCAMPUS II, LLC (SPC II”) each include a building to be used by the University to further its mission and are therefore consolidated into the University’s consolidated financial statements.

SPC I & SPC II have outstanding mortgages which are nonrecourse notes for the permanent financing of the property purchased adjacent to the University’s main campus. The notes bear interest at a rate of 4.125% and are collateralized by an assignment of rents and leases for the respective buildings by each of the entities. The notes mature on July 1, 2035 and can be accelerated only in the event of default. The notes allow partial prepayment on an annual basis without a prepayment penalty.

JCI Infrastructure Debt. In September 2016, the University entered into a contingent payment performance contract with JCI to provide capital improvements of approximately \$32,000,000, including capitalized interest. The contract calls for JCI to make the agreed upon improvements, with a guarantee that the energy savings from such improvements would offset the cost of making the improvements over a period of 20 years. Under the current accounting guidelines, the University treats this as a capital asset with a corresponding debt on the University’s balance sheet. The University is in preliminary discussions with JCI to finance additional capital improvements of approximately \$5,700,000 for a chiller plant addition to its SPCAMPUS. If approved, the improvements and cost would be added to the existing contingent payment performance contract, with no extension of term. The currently anticipated timing for the financing is fiscal year 2025.

Other Long-Annual Debt Service Payments. The following table presents the annual payments of the principal of and interest on the Other Long-Term Debt Obligations of Samford, which are not included among Covered Parity Debt but are included as University indebtedness for purposes of calculating the Pro Forma Debt Service Coverage Ratio requirements applicable to the issuance of Additional University Supported Obligations, as described in “THE AFFILIATION AGREEMENT—Additional University Supported Obligations” in this Official Statement.

Fiscal Year June 30	JCI Infrastructure Debt	SPC – I & II Notes Payable	Total
2024	\$ 2,173,377	\$ 2,271,112	\$ 4,444,489
2025	2,234,496	2,267,558	4,502,054
2026	2,297,358	2,265,795	4,563,153
2027	2,362,010	2,266,001	4,628,011
2028	2,377,838	2,267,054	4,644,892
2029	2,394,061	2,263,147	4,657,208
2030	2,461,349	2,262,248	4,723,597
2031	2,530,553	2,260,284	4,790,837
2032	2,601,730	2,261,268	4,862,998
2033	2,617,553	2,258,292	4,875,845
2034	2,633,763	2,257,372	4,891,135
2035	2,707,739	2,251,593	4,959,332
2036	2,783,820	187,816	2,971,636
2037	2,862,067	-	2,862,067
2038	<u>1,727,976</u>	<u>-</u>	<u>1,727,976</u>
Total	\$36,765,690	\$27,339,540	\$64,105,230

Annual Debt Service Payments. The following table presents the annual payments of the principal of and interest on the Outstanding Covered Parity Debt obligations of Samford, as well as the Series 2024AB Bonds and the Series 2024CD Bonds; provided, for such purposes the principal amounts of the Bonds which are subject to mandatory redemption are set forth in the respective amounts and years of such mandatory redemptions and not in the respective years of stated maturity.

[Remainder of Page Intentionally Left Blank]

Fiscal Year June 30	Series 2024A Bonds	Series 2024B Bonds	Series 2024C Bond	Series 2024D Bonds	Series 2021-A Bonds	Series 2021-B Bonds	Series 2019-A Bonds	Series 2019-B Bonds	Series 2017-A Bonds	Total
2024					\$ 737,100	\$ 4,053,070	\$ 2,400,800	\$ 4,294,425	\$ 2,185,300	\$
2025					737,100	4,035,220	2,400,800	4,312,679	2,185,300	
2026					737,100	4,001,620	2,400,800	4,345,996	2,185,300	
2027					737,100	3,972,370	2,400,800	4,378,871	2,185,300	
2028					737,100	3,922,620	2,400,800	4,425,928	2,185,300	
2029					737,100	3,870,940	2,400,800	4,476,515	2,185,300	
2030					737,100	3,043,641	2,400,800	5,306,365	2,185,300	
2031					737,100	520,573	2,400,800	7,753,343	2,185,300	
2032					737,100	520,573	2,400,800	7,746,920	2,185,300	
2033					737,100	520,573	2,400,800	6,749,953	3,184,675	
2034					737,100	520,573	5,027,200	870,208	6,048,675	
2035					737,100	520,573	4,993,500	870,208	6,042,925	
2036					737,100	520,573	4,530,500	870,208	6,044,350	
2037					737,100	520,573	4,062,300	870,208	6,475,550	
2038					737,100	520,573	4,065,000	870,208	6,470,350	
2039					737,100	520,573	9,400,400	870,208	1,135,750	
2040					737,100	3,077,673	6,870,600	870,208	1,135,750	
2041					737,100	3,069,883	6,876,700	870,208	1,135,750	
2042					737,100	3,072,818	6,873,800	870,208	1,135,750	
2043				1,805,350	7,390,321	1,486,600	870,208	1,135,750		
2044			9,196,850	-	1,489,100	870,208	1,135,750			
2045			400,100	-	4,646,200	1,781,836	6,264,250			
2046			400,100	-	749,800	5,680,775	6,264,500			
2047			400,100	-	749,800	5,676,546	6,265,875			
2048			400,100	-	749,800	5,679,316	6,262,750			
2049			400,100	-	6,923,800	5,771,813	-			
2050			400,100	-	12,693,900	-	-			
2051			5,671,919	-	-	-	-	-		
2052			5,671,869	-	-	-	-	-		
2053			-	-	-	-	-	-		
2054			-	-	-	-	-	-		
2055			-	-	-	-	-	-		
2056			-	-	-	-	-	-		
Total					\$38,751,488	\$48,195,328	\$106,197,000	\$87,953,569	\$85,806,100	\$

APPENDIX A-2

**AUDITED FINANCIAL STATEMENTS OF THE UNIVERSITY
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

[THIS PAGE INTENTIONALLY LEFT BLANK]

SAMFORD UNIVERSITY

CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2023 and 2022

SAMFORD UNIVERSITY
CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2023 and 2022

CONTENTS

INDEPENDENT AUDITOR'S REPORT	1
CONSOLIDATED FINANCIAL STATEMENTS	
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION.....	3
CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS	4
CONSOLIDATED STATEMENTS OF CASH FLOWS	6
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS.....	7

INDEPENDENT AUDITOR'S REPORT

The Board of Trustees
Samford University

Opinion

We have audited the consolidated financial statements of Samford University (the "University"), which comprise the consolidated statements of financial position as of June 30, 2023 and 2022, and the related consolidated statements of activities and changes in net assets, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the University as of June 30, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the University and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the University's ability to continue as a going concern for one year from the date the consolidated financial statements are available to be issued.

(Continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the University's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Crowe LLP
Crowe LLP

Indianapolis, Indiana
September 20, 2023

SAMFORD UNIVERSITY
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Assets		
Cash and cash equivalents	\$ 44,349,238	\$ 44,946,886
Cash held by bond trustee	19,075,389	20,846,672
Cash held in escrow for capital projects	76,543,609	-
Accounts and other receivables, net	4,468,189	3,466,445
Prepaid and other assets	916,436	773,519
Pledges receivable, net	30,565,534	92,685,485
Marketable securities	303,131,443	212,856,449
Student loans receivable, net	16,833,679	15,960,904
Right-of-use assets-operating leases	1,858,319	2,069,170
Other investments	108,958,578	119,086,895
Property, plant, and equipment, net	351,247,759	347,388,555
Beneficial interest in perpetual trusts	11,425,025	10,886,854
Contributions receivable from trusts held by third parties	<u>413,920</u>	<u>401,293</u>
 Total assets	 <u>\$ 969,787,118</u>	 <u>\$ 871,369,127</u>
Liabilities and Net Assets		
Accounts payable	\$ 3,585,318	\$ 3,543,732
Accrued liabilities	9,189,942	8,114,107
Deferred revenue	8,602,927	10,661,352
Other payables and liabilities	5,342,256	3,823,441
Capital line of credit	5,500,000	-
Deposits held on behalf of others	3,028,163	3,814,288
Lease liability	1,858,319	2,069,170
Annuities payable	2,078,721	2,120,681
Pension plan obligation	47,217,998	46,905,673
Notes payable of consolidated subsidiaries	21,491,652	22,836,434
Infrastructure debt	27,466,309	28,459,245
Long-term debt, net	<u>316,852,891</u>	<u>237,956,219</u>
Total liabilities	452,214,496	370,304,342
 Net assets		
Without donor restrictions	108,327,526	113,541,627
 With donor restrictions		
Time or purpose	132,350,384	120,573,423
Perpetual	<u>276,894,712</u>	<u>266,949,735</u>
Total net assets with donor restrictions	<u>409,245,096</u>	<u>387,523,158</u>
 Total net assets	 <u>517,572,622</u>	 <u>501,064,785</u>
 Total liabilities and net assets	 <u>\$ 969,787,118</u>	 <u>\$ 871,369,127</u>

See accompanying notes to consolidated financial statements.

SAMFORD UNIVERSITY
CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
Year ended June 30, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, grants and other support			
Student income			
Net tuition income	\$ 118,865,914	\$ -	\$ 118,865,914
Board and lodging	<u>26,783,890</u>	<u>-</u>	<u>26,783,890</u>
Total student income	<u>145,649,804</u>	<u>-</u>	<u>145,649,804</u>
Other income			
Contributions and pledges for operations	5,401,250	2,657,715	8,058,965
Grant and contract revenue	512,325	4,219,844	4,732,169
Other income	<u>9,665,384</u>	<u>820,757</u>	<u>10,486,141</u>
Total other income	<u>15,578,959</u>	<u>7,698,316</u>	<u>23,277,275</u>
Investment income (loss)			
Endowment income distributed for operations	9,933,113	11,565,678	21,498,791
Net loss of consolidated subsidiaries	(1,383,002)	-	(1,383,002)
Income on operating investments	<u>892,165</u>	<u>6,025</u>	<u>898,190</u>
Total investment income used in operations	<u>9,442,276</u>	<u>11,571,703</u>	<u>21,013,979</u>
Net assets released from restrictions	<u>16,212,642</u>	<u>(16,212,642)</u>	<u>-</u>
Total operating revenues, gains and other	<u>186,883,681</u>	<u>3,057,377</u>	<u>189,941,058</u>
Expenses			
Faculty and staff salaries	81,174,598	-	81,174,598
Student wages	1,591,225	-	1,591,225
Benefits	25,162,431	-	25,162,431
Facilities, maintenance and utilities	13,072,785	-	13,072,785
Interest expense	8,258,479	-	8,258,479
Auxiliary expenses	8,995,762	-	8,995,762
Depreciation	16,523,745	-	16,523,745
Lease expense	1,255,128	-	1,255,128
Supplies and other operating expenses	<u>32,413,318</u>	<u>-</u>	<u>32,413,318</u>
Total expenses	<u>188,447,471</u>	<u>-</u>	<u>188,447,471</u>
Increase (decrease) in net assets from operating activities	<u>(1,563,790)</u>	<u>3,057,377</u>	<u>1,493,587</u>
Other changes			
Other components of net periodic pension cost	(411,131)	-	(411,131)
Pension liability adjustment	<u>(3,284,675)</u>	<u>-</u>	<u>(3,284,675)</u>
Total change in operational resources	<u>(5,259,596)</u>	<u>3,057,377</u>	<u>(2,202,219)</u>
Changes in finance capital			
Net investment income	8,720,097	20,402,447	29,122,544
Draws from endowment for operations	(10,079,624)	(11,434,771)	(21,514,395)
Capital gifts for loan, annuity funds and endowment funds	92,509	8,186,911	8,279,420
Change in value of split-interest agreements	9,369	593,336	602,705
Changes in loan funds	-	1,664,574	1,664,574
Transfers between operating, endowment and other funds	1,691,009	(1,691,009)	-
Changes in capital facilities			
Changes in plant funds, excluding capital gifts	(836,234)	(13,442)	(849,676)
Net assets released from restrictions for capital additions	445,869	(445,869)	-
Capital gifts for plant funds	<u>2,500</u>	<u>1,402,384</u>	<u>1,404,884</u>
Total capital changes	<u>45,495</u>	<u>18,664,561</u>	<u>18,710,056</u>
Total change in net assets	<u>(5,214,101)</u>	<u>21,721,938</u>	<u>16,507,837</u>
Net assets			
Beginning of year	<u>113,541,627</u>	<u>387,523,158</u>	<u>501,064,785</u>
End of year	<u>\$ 108,327,526</u>	<u>\$ 409,245,096</u>	<u>\$ 517,572,622</u>

See accompanying notes to consolidated financial statements.

SAMFORD UNIVERSITY
CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
Year ended June 30, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, grants and other support			
Student income			
Net tuition income	\$ 118,939,193	\$ -	\$ 118,939,193
Board and lodging	<u>24,890,733</u>	<u>-</u>	<u>24,890,733</u>
Total student income	<u>143,829,926</u>	<u>-</u>	<u>143,829,926</u>
Other income			
Contributions and pledges for operations	5,056,014	1,665,623	6,721,637
Grant and contract revenue	6,685,546	2,933,298	9,618,844
Other income	<u>9,108,432</u>	<u>507,076</u>	<u>9,615,508</u>
Total other income	<u>20,849,992</u>	<u>5,105,997</u>	<u>25,955,989</u>
Investment income (loss)			
Endowment income distributed for operations	7,356,852	9,193,676	16,550,528
Net loss of consolidated subsidiaries	(1,546,279)	-	(1,546,279)
(Loss) income on operating investments	<u>(145,557)</u>	<u>6,000</u>	<u>(139,557)</u>
Total investment income used in operations	<u>5,665,016</u>	<u>9,199,676</u>	<u>14,864,692</u>
Net assets released from restrictions	<u>14,987,494</u>	<u>(14,987,494)</u>	<u>-</u>
Total operating revenues, gains and other	<u>185,332,428</u>	<u>(681,821)</u>	<u>184,650,607</u>
Expenses			
Faculty and staff salaries	79,618,812	-	79,618,812
Student wages	1,560,545	-	1,560,545
Benefits	24,254,227	-	24,254,227
Facilities, maintenance and utilities	12,638,053	-	12,638,053
Interest expense	8,204,249	-	8,204,249
Auxiliary expenses	6,319,655	-	6,319,655
Depreciation	16,250,931	-	16,250,931
HEERF scholarships to students	3,073,512	-	3,073,512
Lease expense	1,141,173	-	1,141,173
Supplies and other operating expenses	<u>29,631,769</u>	<u>-</u>	<u>29,631,769</u>
Total expenses	<u>182,692,926</u>	<u>-</u>	<u>182,692,926</u>
Increase (decrease) in net assets from operating activities	2,639,502	(681,821)	1,957,681
Other changes			
Loss on defeasance	(2,676,316)	-	(2,676,316)
Other components of net periodic pension cost	3,709,138	-	3,709,138
Pension liability adjustment	<u>31,496,010</u>	<u>-</u>	<u>31,496,010</u>
Total change in operational resources	<u>35,168,334</u>	<u>(681,821)</u>	<u>34,486,513</u>
Changes in finance capital			
Net investment loss	(5,097,284)	(9,422,175)	(14,519,459)
Draws from endowment for operations	(7,496,238)	(9,068,482)	(16,564,720)
Capital gifts for loan, annuity funds and endowment funds	72,566	97,296,102	97,368,668
Change in value of split-interest agreements	(18,968)	(2,163,642)	(2,182,610)
Changes in loan funds	-	1,020,515	1,020,515
Transfers between operating, endowment and other funds	419,056	(419,056)	-
Changes in capital facilities			
Changes in plant funds, excluding capital gifts	(238,639)	(73)	(238,712)
Capital gifts for plant funds	<u>55,313</u>	<u>6,267,543</u>	<u>6,322,856</u>
Total capital changes	<u>(12,304,194)</u>	<u>83,510,732</u>	<u>71,206,538</u>
Total change in net assets	<u>22,864,140</u>	<u>82,828,911</u>	<u>105,693,051</u>
Net assets			
Beginning of year	<u>90,677,487</u>	<u>304,694,247</u>	<u>395,371,734</u>
End of year	<u>\$ 113,541,627</u>	<u>\$ 387,523,158</u>	<u>\$ 501,064,785</u>

See accompanying notes to consolidated financial statements.

SAMFORD UNIVERSITY
CONSOLIDATED STATEMENTS OF CASH FLOWS
Years ended June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Cash flows from operating activities		
Change in net assets	\$ 16,507,837	\$ 105,693,051
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	16,523,745	16,250,931
Depreciation of consolidated subsidiaries	529,380	529,380
Net unrealized and realized losses (gains) on investments	(23,489,521)	18,380,028
Pension liability adjustment	3,284,675	(31,496,010)
Change in value of split-interest agreements	(602,705)	2,182,610
Decrease (increase) in the carrying amount of the right-of-use assets operating leases	210,851	(574,210)
Cash contributions restricted for long-term purposes	(71,330,193)	(10,380,308)
Disbursement from trusts	186,243	426,914
Bond issue costs written off in refinancing	-	335,698
Changes in operating assets and liabilities		
Accounts and other receivables	(1,545,428)	2,390,129
Pledges receivable	62,119,952	(85,457,326)
Prepaid and other assets	(142,917)	(34,598)
Accounts payable	(481,138)	(4,775,298)
Accrued liabilities and other payables and liabilities	2,946,104	(3,199,857)
Lease liability	(210,851)	574,210
Pension plan obligation	(2,972,350)	(4,789,288)
Deposits held on behalf of others	(786,126)	(62,688)
Deferred revenue	(2,058,425)	404,766
Net cash (used in) provided by operating activities	(1,310,867)	6,398,134
Cash flows from investing activities		
Purchases of property, plant, and equipment	(20,389,603)	(25,002,401)
Purchases of investments	(115,725,473)	(24,066,444)
Proceeds from sales of investments	50,049,305	29,054,062
Student direct lending receipts	63,587,551	64,851,351
Student direct lending disbursements	(63,617,328)	(64,819,844)
Disbursements of loans to students	(3,201,200)	(4,359,252)
Repayments of loans from students	2,328,425	2,452,924
Contributions to limited partnership interests	(10,123,538)	(13,704,431)
Distributions from limited partnership interests	19,391,109	18,797,191
Net cash used in investing activities	(77,700,752)	(16,796,844)
Cash flows from financing activities		
Cash contributions restricted for long-term purposes	71,330,193	10,380,308
Payments of annuity obligations	(202,850)	(510,700)
Repayments of notes payable of consolidated subsidiaries	(1,344,782)	(1,290,530)
Repayments of infrastructure debt	(992,936)	(897,092)
Issuance of long-term debt	84,706,399	24,847,613
Repayments of long-term debt	(5,809,727)	(4,047,795)
Retirement of long-term debt	-	(12,916,674)
Proceeds from lines of credit	9,500,118	2,169,549
Repayments of lines of credit	(4,000,118)	(2,169,549)
Net cash provided by financing activities	153,186,297	15,565,130
Net change in cash and cash equivalents	74,174,678	5,166,420
Cash and cash equivalents, beginning of year	65,793,558	60,627,138
Cash and cash equivalents, end of year	\$ 139,968,236	\$ 65,793,558
Supplemental cash flow data		
Cash paid for interest	\$ 9,181,612	\$ 9,212,291
Repayments of debt by bond trustee	\$ -	\$ 37,225,000
Operating cash flows from operating leases	\$ 1,255,128	\$ 1,141,173
Supplemental noncash investing and financing activity		
Capital expenditures incurred, but not paid	\$ 1,099,425	\$ 1,622,152

See accompanying notes to consolidated financial statements.

SAMFORD UNIVERSITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2023 and 2022

NOTE 1 - GENERAL

Samford University (the “University”) is comprised of the School of the Arts, Howard College of Arts and Sciences, Brock School of Business, Beeson Divinity School, Orlean Beeson School of Education, School of Health Professions, Cumberland School of Law, Moffett & Sanders School of Nursing, McWhorter School of Pharmacy and the School of Public Health.

During 2015, the University, purchased property adjacent to the main campus consisting of approximately 27 acres of land and three office buildings. Subsequent to the purchase, the parcel was divided into four separate parcels, three of which each contain one Class A office building. The University established four separate single member LLC entities of which the University is the sole owner and member. Three of the single member entities, SPCAMPUS I LLC (“SPC I”), SPCAMPUS II LLC (“SPC II”) and SPCAMPUS III LLC (“SPC III”), each own a parcel of land with one building and Samford Properties East (“SPE”) owns an outparcel of land consisting of approximately 8 acres. SPC III has a single third-party tenant in its building with a long-term lease. The real estate held by SPC III is held for investment as part of the University’s endowment. The parcels owned by SPC I and SPC II each include a building to be used by the University to further its mission and are therefore consolidated into the University’s consolidated financial statements. There are long-term leases in place between the University and these entities for the use of the buildings. SPE is also consolidated into the University’s consolidated financial statements.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation: The accompanying consolidated financial statements include the accounts of the University and its wholly owned subsidiaries SPC I, SPC II and SPE, after the elimination of intercompany balances and transactions and have been prepared in conformity with accounting principles generally accepted in the United States of America (“GAAP”). Management has chosen to separately reflect on the consolidated statements of financial position the balances of notes payable related to its consolidated subsidiaries and the activities are reflected in the consolidated statement of activities and changes in net assets as a net loss of consolidated subsidiaries. Total revenues of the entities were approximately \$3,900,000 and \$3,600,000 during the 2023 and 2022 fiscal years, respectively. Revenue is primarily from rentals paid by the University under the lease agreements, plus interest income. The rental income is eliminated during the consolidation. Total equity of these entities was \$16,200,000 and \$13,900,000 at June 30, 2023 and 2022, respectively. Expenses consist primarily of interest on the mortgages payable and depreciation on the purchase of the facilities.

Financial Statement Presentation: The consolidated financial statements report the changes in and totals of each net asset class based on the absence or the existence of donor restrictions. Net assets are classified as without donor restrictions or with donor restrictions as described below:

Net assets without donor restrictions are net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the University. Net assets without donor restrictions include undesignated net assets and net assets that are Board designated for endowment.

Net assets with donor restrictions are net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature while others are perpetual in nature.

The University presents its consolidated statement of activities and changes in net assets in order to provide an intermediate measure of operational performance. Management and the Board believe this presentation provides enhanced information for both internal and external users to measure and compare the operating performance of the University.

(Continued)

SAMFORD UNIVERSITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2023 and 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The change in net assets from operating activities is intended to present all income and expenses used in current operations. Operating activities include providing instruction, academic support, libraries, and other supporting services, such as room and board, to undergraduate and graduate students of the University. Net assets released from restrictions represent net assets with donor restrictions available and used in the current period. Descriptions of other changes follow.

Investment income in the operating statement includes endowment income distributed for operations, net loss from consolidated subsidiaries after elimination of intercompany transactions, and income or loss from operating investments.

Other Changes

Other Components of Net Periodic Pension Cost: This adjustment represents the components of net periodic pension cost including interest cost on the obligation, changes due to expected return on plan net assets, and amortization of various amounts deferred from previous periods. As a result of the full freeze on the defined benefit pension plan as of December 31, 2020, the net periodic pension cost is now reflected in the Other Changes section of the consolidated statements of activities and changes in net assets.

Pension Liability Adjustment: This adjustment, determined annually, increases or decreases the pension plan obligation reported within the consolidated statements of financial position and represents the net change in the University's obligation to pay projected pension benefits and the assets held to meet that obligation.

Changes in Finance Capital

Net Investment Income (Loss): These amounts include the investment returns (losses) on financial assets held in endowed funds and are reported net of investment expense.

Draws From Endowment for Operations: These amounts reflect the transfer of investment earnings or accumulated earnings from endowed funds for current operations based on the Board approved spending policy. This amount may also include additional Board approved transfers to operations for the pension or other exceptional obligations.

Capital Gifts for Loan, Annuity and Endowment Funds: To provide a complete picture of the level of contributions and gifts, these amounts are separately identified from other revenue sources within the finance capital category and represent specified donor gifts, generally of long-term duration.

Change in Value of Split-Interest Agreements: These amounts include changes in three categories of contributed assets as follows: the change in contributions receivable from trusts held by third parties, the change in beneficial interest in perpetual trusts, and the change in gift annuities and split-interest agreements. Changes in these assets annually include the net earnings on investments held by the University, related interest expense on amounts owed to specified beneficiaries, and annual adjustments of any outstanding obligations to specified beneficiaries.

Changes in Loan Funds: These amounts represent receipt of additional institutional loan funds from third parties and various federal loan programs, such as nurse faculty loans, plus the net activities of previously received funds. In addition, required paybacks of federal loan funds, such as Perkins, would also be reflected in this category.

(Continued)

SAMFORD UNIVERSITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2023 and 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Transfers Between Operating, Endowment and Other Funds: These amounts represent the movement of funds between categories for various purposes and, where applicable in accordance with donor restrictions.

Changes in Capital Facilities

Changes in Plant Funds, Excluding Capital Gifts: These amounts include revenue within the plant funds, such as gain on sale of assets and current plant fund expenditures.

Capital Gifts for Plant: These amounts represent contributions restricted for the purchase of capital items.

Net Assets Released from Restrictions for Capital Additions: These amounts represent the release from restrictions for gifts received for capital projects. The University reports expirations of donor restrictions on net assets to be expended for specific capital projects when the acquired or constructed long-lived asset(s) are placed in service.

Net Assets and Revenues, Expenses, Gains, and Losses

Net assets and revenue, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the University and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions: These amounts represent net assets not subject to donor-imposed restrictions, including Board or management designated appropriations.

Net Assets With Donor Restrictions: These amounts represent net assets subject to donor-imposed stipulations that may or will be met either by actions of the University and/or the passage of time. These amounts also represent net assets subject to donor-imposed stipulations that require the assets to be maintained in perpetuity by the University. Generally, the donors of these assets permit the University to use all or part of the income earned on related investments for general or specific purposes.

The University reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities and changes in net assets as net assets released from restrictions (Note 11).

The University reports gifts of property, plant, and equipment as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets designated by the donor to acquire long-lived assets are reported as support with donor restrictions. Absent explicit donor stipulations regarding how long those long-lived assets must be maintained, the University reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Cash and Cash Equivalents: The University considers all highly liquid financial instruments purchased with an original maturity of three months or less to be cash equivalents. The University maintains a sweep account with a financial institution in which the account balance is associated with both an operating line of credit and an institutional liquidity fund, primarily invested in government securities and repurchase agreements. On a nightly basis, any excess cash is invested in the institutional liquidity fund in the University's name. In the event of a cash shortfall in the operating account, the bank will automatically pull cash from the institutional fund if funds are available or use the line of credit to cover amounts paid from the disbursement account. Any excess cash in the operating account automatically reduces the amount outstanding on the line of credit first, and then any remaining amount is invested in the institutional fund.

(Continued)

SAMFORD UNIVERSITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2023 and 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

As of June 30, 2023 and 2022, the balance in cash and cash equivalents included \$13,200,000 and \$14,200,000, respectively, of cash managed by external investment managers as part of the endowment.

Accounts and Other Receivables: Included in accounts receivable are student receivables derived from the University's billing of tuition and fees. The amount of student receivables included in accounts receivable totaled approximately \$3,036,185 and \$1,312,000 at June 30, 2023 and 2022, respectively, which are presented net of an allowance for doubtful accounts of approximately \$396,000 and \$382,000 at June 30, 2023 and 2022, respectively.

In addition, the United States Department of Education requires all Title IV loans to be handled directly through the government ("Direct Lending"). As loans are processed through the Direct Lending program, the amounts are credited to each student's account. Subsequently, the University then draws from the Direct Lending pool funded by the government. The timing difference of disbursements to the student accounts and the draw from the government creates a temporary receivable which is included in this category.

Marketable Securities and Other Investments: Investments in equity securities, mutual funds, commingled funds, real asset funds and debt securities are reported at fair value. Fair value for these investments is based on quoted market prices or dealer quotes, where available.

The University also invests in alternative investments such as hedge funds, real estate funds, limited partnerships, and other investments which are reported at fair value. The University has adopted the authoritative guidance in GAAP, for estimating the fair value of investments in investment funds that have calculated Net Asset Value ("NAV") per share (or its equivalent). According to GAAP, a reporting entity is permitted to estimate the fair value of an investment in an investment fund using the NAV per share of the investment (or its equivalent) without further adjustment, if the NAV per share of the investment is determined as of the reporting entity's measurement date.

Accordingly, the University uses the NAV as reported by the fund managers as a practical expedient, to determine the fair value of investments in investment funds which (a) do not have a readily determinable fair value and (b) either have the attributes of an investment fund or prepare their financial statements consistent with the measurement principles of an investment fund. At June 30, 2023 and 2022, the fair value of these alternative investments has been determined by using NAV as a practical expedient.

The University also considers authoritative investment guidance specific to not-for-profit organizations. For certain other investments, the University carries investments in entities in which the University is the sole member of a limited liability corporation that is the functional equivalent of a limited partnership at fair value.

Both realized and unrealized gains and losses are reflected in the consolidated statements of activities and changes in net assets as changes in net assets without donor restrictions or with donor restrictions, in accordance with the donor's stipulations concerning the purposes for which ordinary income may be used.

Pledges Receivable: Unconditional promises to give are recognized as revenues at their fair values in the period the unconditional promise is made. Unconditional promises to give with payments due in future periods are discounted using a rate commensurate with the risks involved (Note 3).

(Continued)

SAMFORD UNIVERSITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2023 and 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Student Loans Receivable: Student loans receivable represents financial aid awarded to students primarily under the Perkins Title IV federal program and under Title VIII of the Public Health Service Act. The Perkins loans are self-perpetuating funds, and the Federal contributions to the University's loan programs are considered refundable advances and are presented as a liability in deposits held on behalf of others in the consolidated statement of financial position (Note 4). The Title VIII loans are received through an annual notice of award from the United States Department of Health and Human Services. The Perkins Title IV federal program has been discontinued by the federal government and therefore, there are no new Perkins loans being made as of June 30, 2023 and 2022. The University has begun returning cash on hand from the Perkins Fund as requested by the Department of Education and is working with a third-party vendor to wind down the program.

Property, Plant, and Equipment: Property, plant and equipment are stated at cost at date of acquisition or fair value at date of donation in the case of gifts, less accumulated depreciation computed on a straight-line basis over the estimated useful lives of the assets. Gain or loss on disposition of assets is reflected in the statement of activities and changes in net assets, and the related asset cost and accumulated depreciation are removed from the respective accounts. Useful lives by major asset class are as follows:

Land improvements	10-20 years
Buildings	15-50 years
Furniture, fixtures and computer equipment	3-10 years
Library books	7-10 years

Beneficial Interest in Perpetual Trusts: Perpetual trusts are trusts under which the University will receive income distributions in perpetuity, but will never receive the corpus of the trust assets (principal). Perpetual trusts are initially recorded as contribution revenue with donor restrictions at the fair value of the University's interest in the trust assets at the date of gift. Subsequent changes to the trust's fair value are recorded as a change in value of split interest agreements in the statements of activities and changes in net assets. Income received from perpetual trusts is recognized as investment income without donor restrictions or with donor restrictions, depending on donor-imposed purpose restrictions. The University's interest in these trusts was approximately \$11,425,000 and \$10,887,000 at June 30, 2023 and 2022, respectively.

Contributions Receivable From Trusts Held by Third Parties: The University is the beneficiary of various charitable remainder trust funds administered by unaffiliated organizations. Under the terms of the agreements, the University has the irrevocable right to receive the remaining assets of the trusts upon the death of a specified beneficiary or beneficiaries. The fair value of the remainder interest expected to be received from the trusts, net of the present value of expected beneficiary payments, is approximately \$414,000 and \$401,000 at June 30, 2023 and 2022, respectively, and is reflected in the consolidated statement of financial position as contributions receivable from trusts held by third parties. Any change in value related to these trusts is recorded as a change in value of split-interest agreements in the statement of activities and changes in net assets.

Long-Lived Assets: The University recognizes impairment losses on long-lived assets used in operations when indicators of impairment are present and the carrying values of the assets exceed the asset's fair value. There were no such losses recognized during fiscal 2023 or 2022.

Lines of Credit: The University maintains a Master Note Agreement for a \$25,000,000 revolving operating line of credit with Regions Bank. The line of credit bears interest at a variable rate based upon the Bloomberg Short-Term Bank Yield (BSBY) Index. The Master Note Agreement has a current expiration date of November 30, 2023. The outstanding balance was \$0 at June 30, 2023 and 2022.

(Continued)

SAMFORD UNIVERSITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2023 and 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The University also maintains a Capital Line of Credit Agreement and related Capital Credit Note (the "Note") for a \$30,000,000 taxable revolving line of credit with Regions Commercial Equipment Finance, LLC. The Note bears interest at a variable rate based on the BSBY Index and has a maturity date of November 30, 2023. The outstanding balance was \$5,500,000 and \$0 at June 30, 2023 and 2022, respectively.

Gift Annuities and Split-Interest Agreements: The University enters into gift annuity agreements and other split-interest agreements that require an annuity to be paid to the donor or the donor's beneficiary, funded by the donated assets, over a designated period of time or the beneficiary's lifetime, with the remainder becoming a gift to the University.

The difference between the present value of the estimated liability and the fair value of the gift is recognized as contribution revenue without donor restrictions or with donor restrictions at the date of gift, depending on donor-imposed purpose restrictions. The discount rate assumptions used to estimate the present value of the annuity liabilities range between .6% and 9.6% and do not change over the term of the agreement. During the term of the agreement, the actuarially determined liability is adjusted for revaluations of expected future payments to the beneficiaries based on changes in the life expectancy of the beneficiary. Any change in value related to actuarial adjustments of the annuity and split-interest obligations is recorded as a change in value of split-interest agreements in the statements of activities and change in net assets. Annuities payable were approximately \$2,079,000 and \$2,121,000 at June 30, 2023 and 2022, respectively.

Revenue Recognition: Net tuition revenues consisted primarily of tuition, net of scholarships, and fees derived from courses taught by the University, as well as from related educational resources that the University provided to its students, such as access to online materials. Tuition revenue was recognized pro-rata over the applicable period of instruction. For the years ended June 30, 2023 and 2022, the University's revenue was reduced by approximately \$79,317,000 and \$73,986,000, respectively, as a result of scholarships that the University offered to students. A contract was entered into with a student and covered a course or semester. Revenue recognition occurs over the applicable academic term. The University had no costs that were capitalized to obtain or to fulfill a contract with a customer.

Auxiliary revenues include primarily the following operations: food service and student housing. The food service and student housing revenues are included within board and lodging in the consolidated statements of activities and changes in net assets. Charges to students for board and lodging are substantially billed and collected prior to the end of each semester. Associated revenues are earned and recognized over the course of each semester as these services are delivered.

The following table presents our revenues disaggregated by the nature of transfer of services for the years ended June 30, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Undergraduate programs	\$ 134,328,354	\$ 126,729,825
Graduate programs	63,854,399	66,195,247
Less: scholarships and fellowships	<u>(79,316,839)</u>	<u>(73,985,879)</u>
Net tuition revenues	118,865,914	118,939,193
Board and lodging	<u>26,783,890</u>	<u>24,890,733</u>
 Total revenues from contracts with customers	 <u>\$ 145,649,804</u>	 <u>\$ 143,829,926</u>

(Continued)

SAMFORD UNIVERSITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2023 and 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The University presents amounts expended for scholarships and fellowships as a reduction of tuition and fees revenue in the statement of activities and changes in net assets. Scholarships and fellowships are funded from both net assets without donor restrictions and with donor restrictions of the University. During fiscal 2023, approximately \$79,317,000 was expended for scholarships and fellowships, of which approximately \$6,360,000 was funded from net assets with donor restrictions. During fiscal 2022, approximately \$73,986,000 was expended for scholarships and fellowships, of which approximately \$5,969,000 was funded from net assets with donor restrictions.

The University's receivables represented unconditional rights to consideration from its contracts with students. Once a student is invoiced, payment is due prior to the start of classes. Included in each invoice to the student were all educational related items including tuition, net of scholarships, housing, fees, etc. The University did not have any contract assets. The University's contract liabilities were reported as deferred revenue and student deposits in the consolidated statement of financial position. Deferred revenue and student deposits in any period represented the excess of tuition, fees, and other student payments received as compared to amounts recognized as revenue on the consolidated statement of activities and were reflected as liabilities in the accompanying consolidated statement of financial position. Some of the University's education programs had starting and ending dates that differ from its fiscal year end. Therefore, at the end of the fiscal year end, a portion of revenue from these programs was not yet earned.

The University had identified a performance obligation associated with the provision of its educational instruction and other educational services, housing services, and other academic related services and used the output measure for recognition as the period of time over which the services were provided to our students. The University had identified performance obligations related to its dining services and student housing and recognized revenue at the point in time services were provided to its customers. The University maintained an institutional tuition refund policy, which provided for all or a portion of tuition to be refunded if a student withdrew during stated refund periods. If a student withdrew at a time when only a portion, or none of the tuition was refundable, then in accordance with its revenue recognition policy, the University continued to recognize the tuition that was not refunded pro-rata over the applicable period of instruction. The University did not record revenue on amounts that were refunded.

However, for students that had taken out financial aid to pay their tuition and for which a return of such money to the Department of Education under Title IV was required as a result of his or her withdrawal, the University reassessed collectability for these students each quarter for the estimated revenue that will be returned and recognized the revenue in future periods when payment was received. The University had elected the short-term contract exemption with respect to its performance obligations under its contracts with students as all such contracts had original terms of less than one year.

Deferred Revenue from Contracts with Customers: Deferred revenue from contracts with customers represents payments received in advance for which services have not been performed as of June 30. The following table represents activities for deferred revenue related to tuition.

<u>Balance at July 1, 2022</u>	<u>Revenue Recognized 2023</u>	<u>Cash Received in Advance of Performance</u>	<u>Balance at June 30, 2023</u>
\$ 6,392,956	\$ 6,392,956	\$ 5,787,736	\$ 5,787,736
<u>Balance at July 1, 2021</u>	<u>Revenue Recognized 2022</u>	<u>Cash Received in Advance of Performance</u>	<u>Balance at June 30, 2022</u>
\$ 6,557,708	\$ 6,557,708	\$ 6,392,956	\$ 6,392,956

(Continued)

SAMFORD UNIVERSITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2023 and 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The balance of deferred revenue at June 30, 2023, less any refunds issued, will be recognized as revenue over the academic term beginning July 1, 2023, as services are rendered.

Other Significant Policies

Gifts are recorded at fair value at date of donation. Private gifts and government grants that are not considered exchange transactions, including pledges, are recognized in the period received. Conditional gifts, with a barrier and right of return, are not recognized until the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at estimated fair value. Amortization of discount is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions. An allowance for uncollectible pledges receivable is provided based upon management's judgment, including such factors as prior collection history, type of contribution, and nature of fund-raising activity.

Contributions received with donor-imposed restrictions that are met in the same year as the gifts are received are reported as revenue of the net asset without donor restrictions class. Contributions of land, building, and equipment without donor-imposed restrictions concerning the use of such long-lived assets are reported as revenue of the net asset without donor restrictions class. Contributions of cash or other assets to be used to acquire land, building, and equipment with such donor restrictions are reported as revenue of the net asset with donor restrictions class; the restrictions are considered to be released at the time the long-lived assets are placed in service.

Deferred revenue consists primarily of student tuition and fees that relate to future fiscal years and grant funds received for which the grant term extends beyond the current fiscal year.

The University is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, except for income taxes on any unrelated business income, if applicable. There was no provision for income taxes due on unrelated business income in fiscal years 2023 and 2022, and there are no uncertain tax positions considered to be material.

Real estate to be used by the University is stated at cost at the date of acquisition or appraised value at the date of donation in the case of gifts. Real estate held for investment is carried at its fair value.

Use of Estimates: The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

Concentration of Credit Risk: The University maintains cash and cash equivalents with various major financial institutions. Cash equivalents include investments in commercial paper of companies with high credit ratings, investments in money market securities, investments in securities backed by the U.S. government, and repurchase agreements with major financial institutions. At times, such amounts may exceed the Federal Deposit Insurance Corporation insured limit of \$250,000 per bank. The University believes no significant concentration of credit risk exists with respect to these cash investments.

Subsequent Events: The University has evaluated its subsequent events through September 20, 2023, the date the consolidated financial statements were issued.

(Continued)

SAMFORD UNIVERSITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2023 and 2022

NOTE 3 - PLEDGES RECEIVABLE

Pledges receivable, consisting of unconditional promises to give, were as follows at June 30, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Estimated future cash flows from unconditional promises to give before unamortized discount	\$ 32,084,126	\$ 94,019,413
Less: Unamortized discount	(1,347,059)	(1,174,665)
Less: Allowance for doubtful pledges	<u>(171,533)</u>	<u>(159,263)</u>
 Pledges receivable, net	 <u>\$ 30,565,534</u>	 <u>\$ 92,685,485</u>
 Amounts due in		
Less than one year	\$ 23,100,518	\$ 81,510,107
One year to five years	8,588,008	11,970,306
More than five years	<u>395,600</u>	<u>539,000</u>
 	 <u>\$ 32,084,126</u>	 <u>\$ 94,019,413</u>

Estimated future cash flows to be received are discounted at the pledge date using rates ranging from 4.51% to 5.45%, based on risk-adjusted United States Treasury rates commensurate with the various terms of the outstanding pledges and terms which would be demanded by market participants. The remaining gift to be received from the estate of Marvin Mann in fiscal year 2023 represents 67% of the outstanding pledge balance. The majority of assets supporting this pledge are currently held in highly liquid investments.

NOTE 4 - STUDENT LOANS RECEIVABLE AND DEPOSITS HELD ON BEHALF OF OTHERS

Student Loans Receivable: Student loans receivable represents financial aid awarded to students primarily under the Perkins Title IV federal program and under Title VIII of the Public Health Service Act. The Perkins loans are self-perpetuating funds, and the Federal contributions to the University's loan programs are considered refundable advances and are presented as a liability in deposits held on behalf of others in the consolidated statements of financial position. The Title VIII loans are received through an annual notice of award from the United State Department of Health and Human Services. During fiscal year 2022, the government required the University to return approximately \$490,923 of excess Perkins funds as no new loans are being made under the program. The government will continue to wind down the Perkins program and the University will work with a third-party provider to assign loans back to the government.

For the long-term student loans receivable, the University records an allowance for uncollectible loans (credit losses) as follows:

	2023		2022	
	<u>Receivable Balance, Net</u>	<u>Related Allowance</u>	<u>Receivable Balance, Net</u>	<u>Related Allowance</u>
Perkins, net	\$ 1,169,058	\$ 452,871	\$ 1,765,140	\$ 196,701
Other student loans, net	<u>15,664,621</u>	<u>433,053</u>	<u>14,195,764</u>	<u>433,053</u>
	 <u>\$ 16,833,679</u>	 <u>\$ 885,924</u>	 <u>\$ 15,960,904</u>	 <u>\$ 629,754</u>

(Continued)

SAMFORD UNIVERSITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2023 and 2022

NOTE 4 - STUDENT LOANS RECEIVABLE AND DEPOSITS HELD ON BEHALF OF OTHERS
(Continued)

Management regularly assesses the adequacy of the allowance for uncollectible loans by performing ongoing evaluations of the student loan portfolio, including such factors as the differing economic risks associated with each loan category, the financial condition of specific borrowers, the economic environment in which the borrowers operate, the level of delinquent loans, the value of any collateral and, where applicable, the existence of any guarantees or indemnifications. Management also reviews loans in default compared to prior years. The University's Perkins receivable represents the amounts due from current and former students under the Federal Perkins Loan Program. Loans disbursed under the Federal Perkins Loan Program are able to be assigned to the Federal Government in certain nonrepayment situations. In these situations, the Federal portion of the loan balance is guaranteed.

It is the University's general practice to send loans to a collection agency when they are delinquent 120 days or more, and appropriate notification has been made to the student that the loan is considered in default. Loans less than 120 days delinquent are deemed to have a minimal delay in payment and are generally not sent to collections. No allowance is made for loans not in collection. Considering the factors already discussed herein, management considers the allowance for credit losses to be prudent and reasonable. The total past due amounts at June 30, 2023 and 2022, were \$297,955 and \$686,000, respectively.

Deposits Held on Behalf of Others: Deposits held on behalf of others at June 30, 2023 and 2022, which includes student loans receivable for financial aid awarded to students primarily under Title IV federal programs are comprised of the following:

	<u>2023</u>	<u>2022</u>
Agency funds	\$ 579,421	\$ 526,277
Student deposits	506,176	450,246
Federal funds	<u>1,942,566</u>	<u>2,837,765</u>
	<u>\$ 3,028,163</u>	<u>\$ 3,814,288</u>

NOTE 5 - MARKETABLE SECURITIES AND OTHER INVESTMENTS

The University reviews the investments in marketable securities and other investments to determine the appropriate fair value of each class of assets. The assumptions used by the University are disclosed in Note 14.

Marketable Securities: Marketable securities at June 30, 2023 and 2022 consist of the following:

	<u>2023</u>	<u>2022</u>
Public equity	\$ 190,645,583	\$ 128,495,598
Fixed income	52,766,621	38,373,177
Hedge funds	41,758,313	30,803,157
Real assets	<u>17,960,926</u>	<u>15,184,517</u>
	<u>\$ 303,131,443</u>	<u>\$ 212,856,449</u>

(Continued)

SAMFORD UNIVERSITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2023 and 2022

NOTE 5 - MARKETABLE SECURITIES AND OTHER INVESTMENTS (Continued)

The University's investments in public equity investments consists of publicly traded equity, mutual funds, and other commingled investment funds. The investments in fixed income funds includes investments such as U.S. government securities and corporate and asset-backed securities.

The University's hedge fund investments include (i) investments in hedge funds that invest both long and short primarily in U.S. and non-U.S. common stocks, as well as (ii) investments in hedge funds that pursue multiple strategies to diversify risks and reduce volatility, such as investments in credit-oriented securities and merger arbitrage investments. The University's hedge fund investments contain various redemption restrictions with required notice periods. Redemption terms for these funds typically restrict withdrawals of capital for a defined "lock-up" period after investment, and thereafter allow withdrawals on a quarterly, semi-annual or annual basis with notice periods ranging from 30 to 90 days. Lock-up periods for such funds generally expire within one year after the measurement date. Real assets include public investments in natural resources.

Other Investments: Other investments consist of the following at June 30, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Limited partnership interests	\$ 68,664,131	\$ 81,285,040
Real estate held	40,187,580	37,694,988
Life insurance contracts and other	<u>106,867</u>	<u>106,867</u>
	<u>\$ 108,958,578</u>	<u>\$ 119,086,895</u>

During fiscal year ending June 30, 2014, the University formed a single member LLC, University Park Holdings, LLC "UPH", for the purpose of buying, selling, owning, operating and otherwise dealing in real estate. Samford University is the sole member of UPH. UPH purchased a 5-story Class A 122,654 square foot office property built in 1999 for the purpose of long-term investment. The property sits on approximately 12 acres across from the University's main campus.

During fiscal year ending June 30, 2015, the University formed SPCAMPUS III LLC as a single member LLC for the purpose of owning a 5-story Class A 156,000 square foot office building built in 2004 for the purpose of long-term investment. The property sits on approximately 6 acres adjacent to the University's main campus.

These directly held real estate investments of the endowment are classified in the real estate held category of other investments and are currently held at fair value based on appraised value adjusted for changes in assets and liabilities of the entities. Changes in the investment value and distributions of earnings are recorded as part of the investment income of the endowment. Both properties were purchased using cash of the endowment, plus permanent nonrecourse financing over a 20-year term.

The University also owns limited partnership interests in several nonregistered investment partnerships managed by a general partner. These investments represent illiquid investments in venture capital, private equity, energy funds and real estate funds. The University's commitments and contributions to these funds are set forth in Note 13. The University makes initial investments in each partnership and is required to make additional contributions, not to exceed the original commitment amount, upon notice from the general partners. The fair value of these investments is calculated from the University's ownership in these funds. The nature of investments in this category is such that distributions are received from income and through liquidation of the underlying assets of the funds. These funds have terms that range from 7 to 12 years.

(Continued)

SAMFORD UNIVERSITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2023 and 2022

NOTE 6 - PROPERTY, PLANT, AND EQUIPMENT

Property, plant, and equipment of the University, excluding that held by SPC I, SPC II and SPE, consisted of the following at June 30, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Land	\$ 23,785,312	\$ 23,535,312
Land improvements	58,949,994	58,825,103
Buildings	457,127,187	438,942,944
Furniture, fixtures, and computer equipment	67,305,726	62,789,949
Library books	37,214,136	37,099,354
Construction in progress	<u>11,933,442</u>	<u>14,286,639</u>
	656,315,797	635,479,301
Accumulated depreciation	<u>(331,198,308)</u>	<u>(314,750,396)</u>
	<u>\$ 325,117,489</u>	<u>\$ 320,728,905</u>

Depreciation expense of the University was approximately \$16,524,000 and \$16,251,000 in fiscal 2023 and 2022, respectively. At June 30, 2023, there were significant outstanding commitments on Construction in progress. At June 30, 2023, Construction in progress included approximately \$113,000 of capitalized interest. At June 30, 2023, the University's remaining commitment to Construction in progress was approximately \$77,000,000.

Included in property, plant and equipment is property financed under finance leases disclosed in Note 7, of which the following is a summary:

	<u>2023</u>	<u>2022</u>
Buildings and improvements	\$ 218,622,717	\$ 215,124,738
Less: Accumulated depreciation	<u>(89,430,725)</u>	<u>(82,326,630)</u>
Net	<u>\$ 129,191,992</u>	<u>\$ 132,798,108</u>

Property, plant, and equipment held by the University's subsidiaries SPC I, SPC II and SPE, consisted of the following at June 30, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Land	\$ 7,980,000	\$ 7,980,000
Land improvements	1,556,000	1,556,000
Buildings	<u>21,094,000</u>	<u>21,094,000</u>
	30,630,000	30,630,000
Accumulated depreciation	<u>(4,499,730)</u>	<u>(3,970,350)</u>
	<u>\$ 26,130,270</u>	<u>\$ 26,659,650</u>

(Continued)

SAMFORD UNIVERSITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2023 and 2022

NOTE 7 - LONG-TERM DEBT

Long-term debt, excluding the Notes Payable of SPC I, SPC II and infrastructure debt consists of the following at June 30, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Fixed Rate Educational Facilities Revenue Bonds, Samford University Series 2017-A, maturing serially through December 2047 with interest rates ranging from 4.00% to 5.00%.	\$ 46,640,000	\$ 46,640,000
Fixed Rate Educational Facilities Revenue Bonds, Samford University Series 2019-A, maturing serially through December 2049 with an interest rate of 4.00%.	60,020,000	60,020,000
Fixed Rate Educational Facilities Revenue Bonds, Samford University Series 2019-B, maturing serially through December 2048 with interest rates ranging from 2.17% to 3.95%.	60,100,000	62,370,000
Fixed Rate Educational Facilities Revenue Bonds, Samford University Series 2021-A, maturing at various terms through December 2051 with interest rates ranging from 2.50% to 4.00%.	20,670,000	20,670,000
Fixed Rate Educational Facilities Revenue Bonds, Samford University Series 2021-B, maturing serially through December 2042 with interest rates ranging from 2.00% to 3.45%.	37,030,000	40,110,000
Fixed Rate Term Loan with United Financial of Illinois, Inc., maturing quarterly through June 2054 with an interest rate of 6.08%.	84,706,399	-
Unamortized premium (discount)	309,166,399	229,810,000
Unamortized premium on Series 2017-A bonds	3,213,420	3,347,313
Unamortized discount on Series 2017-A bonds	(219,033)	(228,128)
Unamortized premium and cost on Series 2019-A bonds	4,005,106	4,238,440
Unamortized discount and cost on Series 2019-B bonds	(360,608)	(395,805)
Unamortized premium and cost on Series 2021-A bonds	1,179,553	1,229,479
Unamortized discount and cost on Series 2021-B bonds	<u>(131,946)</u>	<u>(45,080)</u>
	<u><u>\$ 316,852,891</u></u>	<u><u>\$ 237,956,219</u></u>

(Continued)

SAMFORD UNIVERSITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2023 and 2022

NOTE 7 - LONG-TERM DEBT (Continued)

Fixed Rate Term Loan: On June 30, 2023, the University closed on a term loan (the “Loan”) with United Financial of Illinois to finance the design and construction of the University’s campus recreation and wellness complex. The Loan is interest only until September 1, 2024 and the interest payments through June 2024 are being paid from the Loan proceeds and are capitalized to the project. The loan has a fixed interest rate of 6.08% and payments will be made quarterly beginning September 1, 2024, through maturity on June 1, 2054. The Loan is an unsecured loan that is subject to certain financial covenants as defined in the Loan. The University may refinance the loan without defeasance or other yield-maintenance penalty with a one-time payment ranging from 2.5% to 1.0% of the outstanding loan balance. Upon closing the Loan, all proceeds were transferred to an escrow account that the University may draw upon through the construction period. Approximately \$8 million was immediately paid from the escrow account to the University as reimbursement of costs incurred prior to closing the Loan.

Educational Facilities Revenue Bonds, Samford University, Series 2021-A: In November 2021, the Educational Building Authority of the City of Homewood (the “Authority”) issued its “Educational Facilities Revenue Bonds, Samford University, Series 2021-A” (the “Series 2021-A Bonds”) to provide approximately \$21 million in new money proceeds for the renovation of certain academic and other spaces. In conjunction with the issuance of the Series 2021-A Bonds, the University entered into a supplemental lease agreement dated November 1, 2021, pursuant to which the University will lease certain real property and facilities under the provision of the campus lease of April 1, 1988, as supplemented on November 1, 2021. Rental payments due under the lease agreement are to be in amounts sufficient to pay the principal and interest on the Series 2021-A Bonds when due. The lease will terminate when all required payments have been made. The Series 2021-A Bonds are collateralized by the assignment of the Authority’s interest in the supplemental lease and a pledge by the Authority of revenues received under lease. The bond agreement places certain general restrictions on the University. Maturity installments begin on December 1, 2042 through December 1, 2043 and begin again on December 1, 2050 with the final payment on December 1, 2051.

Payments range from \$425,000 to \$8,645,000. Interest rates are fixed and range from 2.50% to 4.00%. The Series 2021-A Bonds have stated maturities beginning on December 1, 2042, but are subject to optional redemption (in whole or in part) at the option of the Authority (exercised upon written direction of the University) on June 1, 2031 and on any date thereafter at a redemption price for each bond (or principal portion thereof) to be redeemed equal to the principal amount thereof, plus interest accrued thereon to the redemption date, without premium or penalty. Interest will be payable semiannually on December 1 and June 1. Accrued interest relating to the Series 2021-A Bonds was approximately \$61,000 at June 30, 2023 and 2022 and is included in accrued liabilities in the respective consolidated statements of financial position.

Educational Facilities Revenue Bonds, (Federally Taxable) Samford University, Series 2021-B: In November 2021, the Educational Building Authority of the City of Homewood (the “Authority”) issued its “Educational Facilities Revenue Bonds (Federally Taxable), Samford University, Series 2021-B” (the “Series 2021-B Bonds”) to refund and defease the remaining portion of its 2013-A bonds. In conjunction with the issuance of the Series 2021-B Bonds, the University entered into a supplemental lease agreement dated November 1, 2021, pursuant to which the University will lease certain real property and facilities under the provision of the campus lease of April 1, 1988, as supplemented on November 1, 2021. Rental payments due under the lease agreement are to be in amounts sufficient to pay the principal and interest on the Series 2021-B Bonds when due. The lease will terminate when all required payments have been made. The Series 2021-B Bonds are collateralized by the assignment of the Authority’s interest in the supplemental lease and a pledge by the Authority of revenues received under lease. The bond agreement places certain general restrictions on the University. Maturity installments begin on December 1, 2022 through December 1, 2042.

(Continued)

SAMFORD UNIVERSITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2023 and 2022

NOTE 7 - LONG-TERM DEBT (Continued)

Payments range from \$2,495,000 to \$7,265,000. Interest rates are fixed and range from 2.00% to 3.45%. The Series 2021-B Bonds have stated maturities beginning on December 1, 2039, but are subject to optional redemption (in whole or in part) at the option of the Authority (exercised upon written direction of the University) on June 1, 2031 and on any date thereafter at a redemption price for each bond (or principal portion thereof) to be redeemed equal to the principal amount thereof, plus interest accrued thereon to the redemption date, without premium or penalty. Interest will be payable semiannually on December 1 and June 1. Accrued interest relating to the Series 2021-B Bonds was approximately \$80,000 and \$85,000 at June 30, 2023 and 2022, respectively, and is included in accrued liabilities in the respective consolidated statements of financial position.

Educational Facilities Revenue Bonds, Samford University, Series 2019-A: In December 2019, the Educational Building Authority of the City of Homewood (the "Authority") issued its "Educational Facilities Revenue Bonds, Samford University, Series 2019-A" (the "Series 2019-A Bonds") to provide approximately \$20 million in new money proceeds for the renovation of certain academic space, and to redeem the Educational Facilities Revenue Bonds, Samford University Series 2009-A, Series 2012-A and a portion of the Series 2014-A bonds. In conjunction with the issuance of the Series 2019-A Bonds, the University entered into a supplemental lease agreement dated December 1, 2019, pursuant to which the University will lease certain real property and facilities under the provision of the campus lease of April 1, 1988, as supplemented on December 1, 2019. Rental payments due under the lease agreement are to be in amounts sufficient to pay the principal and interest on the Series 2019-A Bonds when due. The lease will terminate when all required payments have been made. The Series 2019-A Bonds are collateralized by the assignment of the Authority's interest in the supplemental lease and a pledge by the Authority of revenues received under lease. The bond agreement places certain general restrictions on the University. Annual maturity installments begin on December 1, 2033 through December 1, 2044 and begin again on December 1, 2048 with the final payment on December 1, 2049.

Annual payments range from \$550,000 to \$12,445,000. Interest is fixed at a 4.00% rate. The Series 2019-A Bonds having stated maturities in 2030 and thereafter are subject to optional redemption (in whole or in part) at the option of the Authority (exercised upon written direction of the University) on December 1, 2029 and on any date thereafter at a redemption price for each bond (or principal portion thereof) to be redeemed equal to the principal amount thereof, plus interest accrued thereon to the redemption date, without premium or penalty. Interest will be payable semiannually on December 1 and June 1. Accrued interest relating to the Series 2019-A Bonds was approximately \$200,000 at June 30, 2023 and 2022 and is included in accrued liabilities in the respective consolidated statements of financial position.

Educational Facilities Revenue Bonds, (Federally Taxable) Samford University, Series 2019-B: In December 2019, the Authority issued its "Educational Facilities Revenue Bonds (Federally Taxable), Samford University, Series 2019-B" (the "Series 2019-B Bonds") to reimburse the University for operating cash spent on projects that wouldn't qualify for tax-exempt status, pay off the Taxable Capital Line of Credit obtained from Regions Bank in June 2019 and to refund and defease a portion of its 2013-A bonds. In conjunction with the issuance of the Series 2019-B Bonds, the University entered into a supplemental lease agreement dated December 1, 2019, pursuant to which the University will lease certain real property and facilities under the provision of the campus lease of April 1, 1988, as supplemented on December 1, 2019. Rental payments due under the lease agreement are to be in amounts sufficient to pay the principal and interest on the Series 2019-B Bonds when due. The lease will terminate when all required payments have been made. The Series 2019-B Bonds are collateralized by the assignment of the Authority's interest in the supplemental lease and a pledge by the Authority of revenues received under lease. The bond agreement places certain general restrictions on the University. Annual maturity installments begin at \$2,150,000 on December 1, 2020 through December 1, 2032 and begin again on December 1, 2044 with the final payment on December 1, 2048.

(Continued)

SAMFORD UNIVERSITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2023 and 2022

NOTE 7 - LONG-TERM DEBT (Continued)

Annual payments for these years range from \$930,000 to \$6,595,000. Interest is at fixed rates ranging from 2.17%-3.95%. The Series 2019-A Bonds having stated maturities in 2030 and thereafter are subject to optional redemption (in whole or in part) at the option of the Authority (exercised upon written direction of the University) on December 1, 2029 and on any date thereafter at a redemption price for each bond (or principal portion thereof) to be redeemed equal to the principal amount thereof, plus interest accrued thereon to the redemption date, without premium or penalty. Interest will be payable semiannually on December 1 and June 1. The University made principal payments of approximately \$2,210,000 during 2022. Accrued interest relating to the Series 2019-B Bonds was approximately \$165,000 and \$169,000 at June 30, 2023 and 2022, respectively, and is included in accrued liabilities in the respective consolidated statements of financial position.

Educational Facilities Revenue Bonds, Samford University, Series 2017-A: In June 2017, the Authority issued its "Educational Facilities Revenue Bonds, Samford University, Series 2017-A" (the "Series 2017-A Bonds") to reimburse the University for its new College of Health Sciences capital project paid from current operating funds, provide proceeds for the renovation of certain academic space, and to refund the Educational Facilities Revenue Bonds, Samford University Series 2007-A. In conjunction with the issuance of the Series 2017-A Bonds, the University entered into a supplemental lease agreement dated June 1, 2017, pursuant to which the University will lease certain real property and facilities under the provision of the campus lease of April 1, 1988, as supplemented on June 1, 2017. Rental payments due under the lease agreement are to be in amounts sufficient to pay the principal and interest on the Series 2017-A Bonds when due. The lease will terminate when all required payments have been made. The Series 2017-A Bonds are collateralized by the assignment of the Authority's interest in the supplemental lease and a pledge by the Authority of revenues received under lease. The bond agreement places certain general restrictions on the University. Annual maturity installments begin at \$1,025,000 on December 1, 2032 and range to \$6,110,000 on December 1, 2047. Interest is at fixed rates ranging from 4.00%-5.00%. The Series 2017-A Bonds that have a stated maturity of 2027 or beyond are callable at the option of the Authority, exercised upon the direction of the University, on June 1, 2027 or any date thereafter.

Redemption price will include principal and interest up to the date fixed for redemption, without premium or penalty. The University will gain title to the facilities and equipment from the Authority when the lease expires in 2047. Interest will be payable semiannually on December 1 and June 1. Accrued interest relating to the Series 2017-A Bonds was approximately \$182,000 at June 30, 2023 and 2022 and is included in accrued liabilities in the respective consolidated statements of financial position.

As of June 30, 2023, annual principal maturities of long-term debt of the University are as follows:

Years Ending	
2024	\$ 6,073,592
2025	6,606,332
2026	6,777,451
2027	6,979,982
2028	7,186,785
Thereafter	<u>275,542,257</u>
	<u>\$ 309,166,399</u>

The University's long-term debt is subject to certain financial and non-financial covenants. The University reported compliance with all covenants at June 30, 2023.

(Continued)

SAMFORD UNIVERSITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2023 and 2022

NOTE 7 - LONG-TERM DEBT (Continued)

Infrastructure Debt: In September 2016, the University entered into a Contingent Payment Performance Contract ("CPCC") with Johnson Controls, Inc. ("JCI") to provide capital improvements of approximately \$32,000,000, including capitalized interest. The contract calls for JCI to make the agreed upon improvements with a guarantee that the energy savings from such improvements would offset the cost of making the improvements over a period of 20 years. Under the current accounting guidelines, the University will treat this as a capital asset with corresponding debt on the University's balance sheet.

As of June 30, 2023, annual principal maturities of the infrastructure debt of the University are as follows:

Years Ending	
2024	\$ 1,094,396
2025	1,201,747
2026	1,315,283
2027	1,435,306
2028	1,510,869
Thereafter	<u>20,908,708</u>
	 <u>\$ 27,466,309</u>

Notes Payable of Consolidated Subsidiaries: SPC I and SPC II have outstanding mortgages which are nonrecourse notes for the permanent financing of the property purchased adjacent to the University's main campus. The notes bear interest at a rate of 4.125% and are collateralized by an assignment of rents and leases for the respective buildings owned by each of the entities. The notes mature on July 1, 2035 and can be accelerated only in the event of default. The notes allow partial prepayment on an annual basis without a prepayment penalty.

As of June 30, 2023, annual principal maturities of long-term debt of the SPC I and SPC II are as follows:

Years Ending	
2024	\$ 1,401,316
2025	1,460,225
2026	1,521,611
2027	1,585,578
2028	1,652,234
Thereafter	<u>13,870,688</u>
	 <u>\$ 21,491,652</u>

NOTE 8 - GRANT AND CONTRACT REVENUE

Grant and contract revenue is comprised of the following for fiscal 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Private and other grants	\$ 1,773,734	\$ 1,319,236
Federal and state grants	2,816,170	8,020,935
Contracts	<u>142,265</u>	<u>278,673</u>
 Net	 <u>\$ 4,732,169</u>	 <u>\$ 9,618,844</u>

(Continued)

SAMFORD UNIVERSITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2023 and 2022

NOTE 8 - GRANT AND CONTRACT REVENUE (Continued)

In addition to the above grant revenue, the University received federal awards of approximately \$2,321,000 and \$2,654,000 in student financial aid awards during fiscal 2023 and 2022, respectively, which are not reflected in the consolidated statements of activities and changes in net assets. These federal awards represent agency transactions.

On March 11, 2021, the American Rescue Plan Act (ARP) was enacted providing the Higher Education Emergency Relief Fund III (HEERF III) funding. There were no funds available to the University during fiscal year 2023 from this program as all the funds allocated to the University were received prior to June 30, 2022.

During fiscal year 2022, the University recorded approximately \$3,039,000 of revenue for the institutional portion of and \$3,073,000 of revenue related to student funding available from the ARP. To the extent available, the institutional funds were used to offset costs and lost revenue directly related to the COVID-19 pandemic. The resulting revenue was recorded and recognized and there were no deferred revenues related to this funding source as of June 30, 2022, as all conditions were met for revenue recognition.

NOTE 9 - RETIREMENT BENEFITS

The University has established a defined benefit pension plan (the "Pension Plan") covering all full-time employees hired before December 31, 2012, who have attained the age of 21 and have completed one year of service. The Pension Plan provides pension benefits that are based on the average monthly earnings for the highest five full consecutive calendar years within the last ten years of benefit service and upon a multiple of years of benefit service (maximum of 25 years). Employees do not contribute to the Pension Plan. The University froze the Pension Plan to new entrants effective after December 31, 2012. Effective as of January 1, 2017, the Pension Plan was amended to modify the benefit formula for certain employees on a prospective basis. The University put in place a full freeze of the Pension Plan as of December 31, 2020. Therefore, no new benefits have accrued to any current participants in the Pension Plan after that date.

The following information pertains to the Pension Plan:

	<u>2023</u>	<u>2022</u>
Change in benefit obligation		
Benefit obligation at beginning of year	\$ 234,627,338	\$ 299,059,099
Interest cost	11,299,945	8,838,356
Actuarial gain	(597,023)	(61,750,519)
Benefit payments	<u>(12,561,990)</u>	<u>(11,519,598)</u>
Benefit obligation at end of year	<u>232,768,270</u>	<u>234,627,338</u>
Change in plan assets		
Fair value of plan assets at beginning of year	187,721,665	215,868,128
Actual return on plan assets	7,007,116	(17,707,015)
Employer contributions	3,383,481	1,080,150
Benefit payments	<u>(12,561,990)</u>	<u>(11,519,598)</u>
Fair value of plan assets at end of year	<u>185,550,272</u>	<u>187,721,665</u>
Funded status at end of year	<u>\$ (47,217,998)</u>	<u>\$ (46,905,673)</u>

(Continued)

SAMFORD UNIVERSITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2023 and 2022

NOTE 9 - RETIREMENT BENEFITS (Continued)

Amounts recognized in the consolidated statement of financial position consist of:

	<u>2023</u>	<u>2022</u>
Pension plan obligation	\$ 47,217,998	\$ 46,905,673

Amounts recognized in net assets without donor restrictions, but not yet recognized in net periodic benefit cost consist of:

	<u>2023</u>	<u>2022</u>
Net loss	<u>\$ 61,130,314</u>	<u>\$ 57,845,639</u>
	<u><u>\$ 61,130,314</u></u>	<u><u>\$ 57,845,639</u></u>

The projected and accumulated benefit obligations and the fair value of plan assets as of June 30 were:

	<u>2023</u>	<u>2022</u>
Projected benefit obligation	\$ 232,768,270	\$ 234,627,338
Accumulated benefit obligation	230,703,049	232,569,428
Fair value of plan assets	185,550,272	187,721,665
Net periodic benefit cost		
Interest cost	11,299,945	8,838,356
Expected return on plan assets	(12,335,906)	(14,980,394)
Amortization of actuarial loss	<u>1,447,092</u>	<u>2,432,900</u>
Net periodic benefit cost	<u>411,131</u>	<u>(3,709,138)</u>
Other changes in plan assets and benefit obligations recognized in net assets without donor restrictions		
Net gain during the year	4,731,767	(29,063,110)
Amortization during the year	<u>(1,447,092)</u>	<u>(2,432,900)</u>
Total recognized in net assets without donor restrictions	<u>3,284,675</u>	<u>(31,496,010)</u>
Total recognized in net period benefit cost and net assets without donor restrictions	<u><u>\$ 3,695,806</u></u>	<u><u>\$ (35,205,148)</u></u>

(Continued)

SAMFORD UNIVERSITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2023 and 2022

NOTE 9 - RETIREMENT BENEFITS (Continued)

Plan Assets: The Pension Plan's weighted-average asset allocations at June 30, 2023 and 2022, by asset category are as follows:

Asset category	Plan Assets	
	2023	2022
Cash and cash equivalents	6%	5%
Public equity	34	43
Fixed income	28	16
Hedge funds	11	11
Private equity	11	11
Real assets	10	14
	<u>100%</u>	<u>100%</u>

The University's Investment Committee of the Board of Trustees sets the investment policies for the Pension Plan's assets. These policies include requirements to (1) invest Pension Plan assets consistent with fiduciary standards; (2) fund benefit payments and expenses; (3) evaluate the performance of investment managers; (4) manage the volatility of the Pension Plan's funded status while seeking to achieve the Pension Plan's target funded status and (5) monitor the Pension Plan's asset allocation. Each month the Investment Committee is presented with an asset allocation report that compares the actual allocation of Pension Plan assets with the approved target allocation.

The report includes target ranges, which allow for price movements within the asset classes. The middle of the range is the actual target, but the range allows for some movement above or below this target based on market movement. The report gives the Investment Committee the opportunity to modify the allocation so that the actual allocation remains consistent with the approved target. Set forth below is information regarding the Pension Plan's asset allocation.

	2023	2022
Cash and cash equivalents	\$ 11,257,565	\$ 8,908,686
Public equity	63,025,319	80,033,111
Fixed income	51,899,291	29,395,759
Hedge funds	19,329,050	20,634,440
Private equity	20,759,587	21,608,958
Real assets	<u>19,279,460</u>	<u>27,140,711</u>
Total plan assets	<u>\$ 185,550,272</u>	<u>\$ 187,721,665</u>

Equity funds invest in the common stock of companies located in the U.S. and abroad. The goal of equities is to provide a growing stream of current income and appreciation of principal that more than offsets inflation over time.

Fixed income primarily consists of investment grade fixed income securities. The goal of fixed income is to generate income and help to protect assets during periods of economic contraction.

Hedge funds offer the plan exposure to long/short equity, event-driven and special situation investments.

(Continued)

SAMFORD UNIVERSITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2023 and 2022

NOTE 9 - RETIREMENT BENEFITS (Continued)

Real asset investments offer the potential for capital appreciation and serve as a hedge against inflation. The Plan invests in assets that offer strong relative performance in rising inflation environments, such as energy and metals equities, commodities and REITs.

The University uses a June 30 measurement date for valuing assets and estimating the obligations of the Pension Plan. Consistent with prior years, the University has elected to use the market smoothing approach to amortize unrecognized gains or losses associated with the Pension Plan. The University uses the PRI-2012 Total Dataset Mortality Table with the 2023 (the most recent available as of the measurement date) Social Security Administration projection scale to estimate the mortality rates associated with the Pension Plan participants.

The fair value disclosures of the Pension Plan assets and related roll-forward of investments are included in Note 14 of these consolidated financial statements.

Weighted-average assumptions used to determine benefit obligations at June 30, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Discount rate	4.99%	4.94%
Rate of compensation increase	N/A	N/A

Weighted-average assumptions used to determine net periodic benefit cost for years ended June 30, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Discount rate	4.94%	3.00%
Expected long-term return on plan assets	7.45	7.75
Rate of compensation increase	N/A	N/A

The expected long-term return on Pension Plan asset assumption at June 30, 2023 and 2022 was 7.45% and 7.75%, respectively. This assumption represents the average rate that the University expects to earn over the long-term on the assets of the Pension Plan, including those from dividends, interest income and capital appreciation. The expected return on Pension Plan assets is based on the market-related value of Pension Plan assets and takes into account contributions, benefit payments and investment manager fees. This assumption has been determined based on expectations regarding future rates of return for the Pension Plan's investment portfolio, with consideration given to the allocation of investments by asset class and historical rates of return for each individual asset class. In determining the appropriate discount rate, the University uses a spot rate yield curve of diversified high quality corporate bonds.

Additional information for the years ended June 30, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Benefits paid	\$ 12,561,990	\$ 11,519,598
Contributions	3,383,481	1,080,150

For the fiscal year ending June 30, 2024, the University expects to contribute approximately \$3,282,000 to the Pension Plan.

(Continued)

SAMFORD UNIVERSITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2023 and 2022

NOTE 9 - RETIREMENT BENEFITS (Continued)

Future benefit payments from the Pension Plan are expected to be as follows for the fiscal years ending:

Years Ending	
2024	\$ 13,373,644
2025	13,885,672
2026	14,275,667
2027	14,570,579
2028	14,824,021
2029-2033	76,763,109

In addition to the Pension Plan, the University maintains the Samford University 403(b) TDA Plan (the "403(b) Plan"), which has historically been exclusively a defined contribution plan subject to the provisions of the Employee Retirement Income Security Act of 1974. The 403(b) Plan has historically only been funded through employee contributions. With the freeze of the Pension Plan, active employees who were eligible to accrue benefits under the Pension Plan as of December 31, 2020 and new non student employees hired after December 31, 2012 are eligible to participate in an amended 403(b) Plan that provides contributions and matching funds by the University into individual annuities or accounts. Employees may make voluntary deferrals based on annual maximums established by the Internal Revenue Code for 403(b) plans. Employees can begin deferring immediately after employment and a participant with over 1,000 hours worked per year will be eligible for a Samford contribution on the first January 1 or July 1 following the one-year service requirement and attainment of age 21.

The contribution rate by the University is tied to years of service pursuant to the following schedule:

<u>Years of Participation</u>	<u>Contribution Rate</u>
1-3	2.00%
4-6	3.50
7+	5.00

Also, for participants with at least 1,000 hours worked per year, the University will make a \$1 for \$1 match of all employee deferrals up to 3% of eligible compensation. The University match and contribution are vested at the rate of 20% per year. The University incurred contribution expense of approximately \$5,893,000 and \$6,248,000 during fiscal years 2023 and 2022, respectively. The expense has been recognized as a benefit cost.

For five years (or earlier employment termination date) beginning with the calendar year commencing on January 1, 2021, Samford will make certain transition contributions to the 403(b) accounts of active employees who were eligible to accrue benefits under the Pension Plan as of December 31, 2020, who (i) works 1,000 hours for Samford during the calendar year and (ii) are employed by Samford on the last day of the calendar year. Such amounts will be determined based on the employee's age and Pension Plan Credited Service on December 31, 2020. Transition contributions range from 0% to 7% and will be made based upon the applicable percentage multiplied by the employee's annual compensation.

Beginning January 1, 2021, all eligible employees, including active employees who were eligible to accrue benefits under the Pension Plan as of December 31, 2020, are automatically enrolled with an election to contribute 3% of his or her Samford compensation, unless the employee instructs Human Resources to stop the automatic contributions or the employee selects a different contribution percentage.

(Continued)

SAMFORD UNIVERSITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2023 and 2022

NOTE 10 - NET ASSETS

Net assets without donor restrictions and those with donor restrictions restricted by purpose, passage of time, or perpetuity at June 30, 2023 are available for the following purposes:

	Year ended June 30, 2023		
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total Net Assets</u>
Operating and other	\$ 42,005,424	\$ 10,117,483	\$ 52,122,907
Pledges receivable	-	30,565,534	30,565,534
Student loan funds	724,330	16,732,562	17,456,892
Unexpended endowment income	378,640	9,155,729	9,534,369
Endowment funds	112,545,106	330,925,925	443,471,031
Pension plan obligation	(47,217,998)	-	(47,217,998)
Annuity and life income funds	<u>(107,976)</u>	<u>11,747,863</u>	<u>11,639,887</u>
Total	<u>\$ 108,327,526</u>	<u>\$ 409,245,096</u>	<u>\$ 517,572,622</u>

Net assets without donor restrictions and those with donor restrictions restricted by purpose, passage of time, or perpetuity at June 30, 2022 are available for the following purposes:

	Year ended June 30, 2022		
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total Net Assets</u>
Operating and other	\$ 44,875,033	\$ 29,883,896	\$ 74,758,929
Pledges receivable	-	92,685,485	92,685,485
Student loan funds	2,173,355	16,309,906	18,483,261
Unexpended endowment income	70,495	10,120,583	10,191,078
Endowment funds	113,634,564	226,110,135	339,744,699
Pension plan obligation	(46,905,673)	-	(46,905,673)
Annuity and life income funds	<u>(306,147)</u>	<u>12,413,153</u>	<u>12,107,006</u>
Total	<u>\$ 113,541,627</u>	<u>\$ 387,523,158</u>	<u>\$ 501,064,785</u>

NOTE 11 - NET ASSETS RELEASED FROM RESTRICTIONS

Net assets with donor restrictions released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events as specified by the donors as follows for the years ended June 30, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Operating and other	\$ 6,471,808	\$ 6,993,504
Expended endowment income	<u>9,740,834</u>	<u>7,993,990</u>
Total net assets with donor restrictions	<u>\$ 16,212,642</u>	<u>\$ 14,987,494</u>

(Continued)

SAMFORD UNIVERSITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2023 and 2022

NOTE 12 - LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

	<u>2023</u>	<u>2022</u>
Cash and cash equivalents	\$ 23,218,741	\$ 22,563,251
Accounts receivable	4,468,189	3,466,445
Pledges receivable	1,474,667	1,011,861
Operating investments (short-term investments)	6,413,277	5,883,159
Endowment spending rate distribution	<u>22,057,892</u>	<u>21,392,505</u>
	<u>\$ 57,632,766</u>	<u>\$ 54,317,221</u>

Our endowment funds consist of donor-restricted endowments and funds designed by the board as endowments. Income from donor-restricted endowments is restricted for specific purposes, with the exception of the amounts available for general use. Donor-restricted endowment funds are not available for general expenditure.

Our board-designated endowment of \$112,545,000 and \$113,635,000 at June 30, 2023 and 2022, is subject to an annual spending rate as described in Note 15. Although we do not intend to spend from this board-designated endowment (other than amounts appropriated for general expenditures as part of our Board's annual budget approval and appropriation), these amounts could be made available if necessary.

The University's cash flows have seasonal variations during the year attributable to tuition billing and a concentration of contributions received at calendar and fiscal year-end.

As part of our liquidity management plan, we structure financial assets to be available as the general expenditures, liabilities and other obligations become due. In addition, we invest cash in excess of daily requirements in short-term investments, repurchase agreements, and money market funds.

To help manage unanticipated liquidity needs, the University maintains a committed operating line of credit of \$25,000,000 that can be drawn upon (see Note 2) and an additional \$30,000,000 on the capital line of credit available until November 30, 2023.

NOTE 13 - COMMITMENTS AND CONTINGENCIES

The University periodically enters into operating leases for office equipment. The minimum future rentals on these non-cancelable leases are as follows:

Years Ending	
2024	\$ 1,053,244
2025	641,959
2026	251,773
2027	<u>18,291</u>
	<u>1,965,267</u>
Lease present value discount	<u>(106,948)</u>
Lease liability	<u><u>\$ 1,858,319</u></u>

(Continued)

SAMFORD UNIVERSITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2023 and 2022

NOTE 13 - COMMITMENTS AND CONTINGENCIES (Continued)

Weighted average for operating leases:

Discount rate	4.98%
Remaining lease term (years)	2.10

Lease expense for operating leases for the years ended June 30, 2023 and 2022 was approximately \$1,255,000 and \$1,141,000, respectively.

As discussed in Note 5, the University owns interests in nonregistered investment partnerships at June 30, 2023 and 2022. The University entered into separate subscription agreements with a capital commitment to each limited partnership that expire periodically in the future. The following information pertains to each limited partnership capital commitment at June 30, 2023:

	2023			
	Original Commitment	Capital Contributions	Unfunded Commitment	Commitment Expiration
Wellspring Capital Partners VI, LP	\$ 3,000,000	\$ 2,688,637	\$ 311,363	05/01/2028
Riverside Capital Appreciation VII, LP	3,500,000	2,862,538	637,462	05/31/2031
Audax Private Equity Fund VI, LP	2,500,000	2,335,431	164,569	10/01/2031
Audax Private Equity Fund VII, LP	3,000,000	-	3,000,000	12/01/2035
Genstar Fund XI, LP	4,000,000	-	4,000,000	02/01/2035
The Resolute Fund VI, LP	4,000,000	-	4,000,000	05/01/2037
Davidson Kempner LT Distressed OPP Intl. V	3,500,000	3,140,259	359,741	05/01/2027
Davidson Kempner LT Distressed OPP Intl. VI	3,000,000	194,144	2,805,856	12/01/2029
OHA Strategic Credit Fund II (Offshore,) LP	3,500,000	2,275,000	1,225,000	07/01/2026
Farallon Special Situations Fund LP	3,000,000	2,401,730	598,270	09/28/2028
Silver Point Specialty Credit Fund II	2,000,000	1,652,946	347,054	05/01/2028
Apax Digital	2,300,000	87,625	2,212,375	03/01/2034
Landmark Equity Partners XV	4,000,000	3,210,928	789,072	12/31/2024
NB Secondary Opportunities Fund IV, LP	3,500,000	2,544,597	955,403	09/01/2025
Newbury Equity Partners IV, LP	3,000,000	2,400,000	600,000	09/30/2029
Stepstone Secondaries Fund IV, LP	2,660,300	2,607,094	53,206	01/01/2033
Newbury Equity Partners V, LP	2,500,000	1,712,500	787,500	06/01/2032
NB Secondary Opportunities Fund V, LP	2,000,000	512,275	1,487,725	05/01/2033
Stepstone Secondaries Fund V, LP	2,000,000	1,018,674	981,326	05/01/2034
Stepstone Opportunities V, LP	2,775,000	2,636,250	138,750	09/30/2027
Stepstone Opportunities VI, LP	3,500,000	3,150,000	350,000	01/01/2030
Natural Resources Partners VIII	8,000,000	7,900,000	100,000	08/19/2023
Harbert Real Estate Fund VII, LLC	2,500,000	2,464,680	35,320	04/01/2034
Harbert Real Estate Fund VIII, LLC	3,000,000	245,434	2,754,566	02/01/2035
Wheelock Real Estate Fund V, LP	3,500,000	2,562,143	937,857	10/01/2030
Wheelock Real Estate Fund VI, LP	3,500,000	2,106,084	1,393,916	03/01/2034
Wheelock Real Estate Fund VII, LP	3,500,000	633,361	2,866,639	12/01/2036
WHI Real Estate Partners IV, LP	3,000,000	2,443,259	556,741	11/30/2027
Energy Spectrum Partners VIII, LP	<u>3,000,000</u>	<u>1,642,162</u>	<u>1,357,838</u>	10/31/2031
	<u>\$ 93,235,300</u>	<u>\$ 57,427,751</u>	<u>\$ 35,807,549</u>	

The University is the subject of various legal actions in the ordinary course of business. Management does not believe the ultimate outcome of these actions will have a material adverse effect on the financial position of the University.

(Continued)

SAMFORD UNIVERSITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2023 and 2022

NOTE 13 - COMMITMENTS AND CONTINGENCIES (Continued)

The University is primarily self-insured for health and dental insurance claims. Stop loss insurance agreements are utilized to limit the liability on both a specific and aggregate basis for the period of coverage. The liability for unpaid claims included in accrued liabilities in the consolidated statements of financial position includes an accrual for an estimate of claims incurred but not reported. At June 30, 2023 and 2022, the University has accrued approximately \$1,636,000 and \$1,514,000, respectively, related to these self-insurance plans.

NOTE 14 - FAIR VALUE OF FINANCIAL INSTRUMENTS

The University follows the authoritative guidance required for assets and liabilities held at fair value, which establishes a framework for measuring fair value under generally accepted accounting principles and enhanced disclosures about fair value measurements. The guidance states that fair value is the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date.

The guidance establishes a hierarchy of valuation inputs based on the extent to which the inputs are observable in the marketplace. Observable inputs reflect market data obtained from sources independent of the reporting entity and unobservable inputs reflect the entity's own assumptions about how market participants would value an asset or liability based on the best information available.

Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs. The authoritative guidance describes a fair value hierarchy based on three levels of inputs, of which the first two are considered observable and the last unobservable, that may be used to measure fair value.

The following describes the hierarchy of inputs used to measure fair value and the primary valuation methodologies used by the University for financial instruments measured at fair value on a recurring basis. The three levels of inputs are as follows:

- Level 1 Quoted prices in active markets for identical assets or liabilities.
- Level 2 Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the same term of the assets or liabilities.
- Level 3 Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

(Continued)

SAMFORD UNIVERSITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2023 and 2022

NOTE 14 - FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

The following tables present the financial instruments carried at fair value as of June 30, 2023 and 2022, respectively, by caption on the consolidated statements of financial position by the valuation hierarchy defined above:

	2023				Valuation Technique
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>	
Investments					
Cash and cash equivalents	\$ 13,227,975	\$ -	\$ -	\$ 13,227,975	Market
Public equity securities	155,235,681	35,409,902	-	190,645,583	Market
Fixed income	-	52,766,621	-	52,766,621	Market
Real assets	-	17,960,926	-	17,960,926	Market
Beneficial interest in perpetual trusts	51,268	1,928,646	9,445,111	11,425,025	Market
Contributions receivable from trusts held by third parties	20,753	393,167	-	413,920	Market
Real estate held for investment	-	-	40,187,580	40,187,580	Income
Other investments	70,585	36,282	-	106,867	Income
Total marketable securities, split interest agreements and other investments	<u>\$ 168,606,262</u>	<u>\$ 108,495,544</u>	<u>\$ 49,632,691</u>	<u>\$ 326,734,497</u>	

Investments measured at net asset value using the practical expedient:

Hedge funds	\$ 41,758,313
Other investments, excluding real estate	<u>68,664,131</u>
Total investments measured at net asset value using the practical expedient	<u>\$ 110,422,444</u>
Total investments at fair value	<u>\$ 437,156,941</u>

	2022				Valuation Technique
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>	
Investments					
Cash and cash equivalents	\$ 14,211,940	\$ -	\$ -	\$ 14,211,940	Market
Public equity securities	116,034,224	12,461,374	-	128,495,598	Market
Fixed income	-	38,373,177	-	38,373,177	Market
Real assets	-	15,184,517	-	15,184,517	Market
Beneficial interest in perpetual trusts	76,301	1,716,909	9,093,644	10,886,854	Market
Contributions receivable from trusts held by third parties	10,153	391,140	-	401,293	Market
Real estate held for investment	-	-	37,694,988	37,694,988	Income
Other investments	70,585	36,282	-	106,867	Income
Total marketable securities, split interest agreements and other investments	<u>\$ 130,403,203</u>	<u>\$ 68,163,399</u>	<u>\$ 46,788,632</u>	<u>\$ 245,355,234</u>	

Investments measured at net asset value using the practical expedient:

Hedge funds	\$ 30,803,157
Other investments, excluding real estate	<u>81,285,040</u>
Total investments measured at net asset value using the practical expedient	<u>\$ 112,088,197</u>
Total investments at fair value	<u>\$ 357,443,431</u>

(Continued)

SAMFORD UNIVERSITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2023 and 2022

NOTE 14 - FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

Following is a description of the University's valuation methodologies for assets and liabilities measured at fair value.

Fair value for Level 1 securities is based upon quoted prices in active markets which the University has the ability to access for identical assets and liabilities. Market price data is generally obtained from exchange or dealer markets. The University does not adjust the quoted price for such assets and liabilities.

Fair value for Level 2 securities is based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the assets. Inputs are obtained from various sources including market participants, dealers, and brokers.

Fair value for Level 3 securities is based on valuation techniques that use significant inputs that are unobservable as these securities trade infrequently or not at all.

Investments included in Level 3 consists of the University's investments in real estate. The values are determined through periodic appraisals using the income approach and are currently held at fair value based on appraised value adjusted for changes in assets and liabilities of the entities.

The University performs additional procedures including due diligence reviews on its investments in real estate and other procedures with respect to the capital account or NAV provided to ensure conformity with GAAP. The University has assessed factors including, but not limited to, managers' compliance with Fair Value Measurement standard, price transparency and valuation procedures in place, the ability to redeem at NAV at the measurement date, and existence of certain redemption restrictions at the measurement date.

The guidance also requires additional disclosures to enable users of the consolidated financial statements to understand the nature and risk of the University's investments. Furthermore, investments which can be redeemed by the University on the measurement date or in the near term are classified as Level 2. Investments which cannot be redeemed on the measurement date or in the near term are classified as Level 3.

The following table is a roll-forward of the consolidated statement of financial position amounts for financial instruments classified by the University within Level 3 of the fair value hierarchy defined above for the years ended June 30, 2023 and 2022:

	<u>Level 3</u>
Fair value at June 30, 2021	\$ 41,306,795
Realized/unrealized gains	5,481,837
Purchases	-
Sales/returns of capital	-
Fair value at June 30, 2022	<u>46,788,632</u>
Realized/unrealized gains	2,844,059
Purchases	-
Sales/returns of capital	-
Fair value at June 30, 2023	<u>\$ 49,632,691</u>

(Continued)

SAMFORD UNIVERSITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2023 and 2022

NOTE 14 - FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

All net realized and unrealized gains in the table above are reflected in the accompanying consolidated statement of activities and changes in net assets. Net unrealized gains relate to those financial instruments held by the University at June 30, 2023 and 2022.

Pension Plan Fair Value: The following tables represent the plan assets as of June 30, 2023 and 2022 categorized by the levels described above.

	2023				Valuation Technique
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>	
Investments					
Cash and cash equivalents	\$ 11,257,565	\$ -	\$ -	\$ 11,257,565	Market
Public equity	36,709,000	26,316,319	-	63,025,319	Market
Fixed income	-	51,899,291	-	51,899,291	Market
Total cash and marketable securities	<u>\$ 47,966,565</u>	<u>\$ 78,215,610</u>	<u>\$ -</u>	<u>\$ 126,182,175</u>	
Investments measured at net asset value using the practical expedient:					
Hedge funds				\$ 19,329,050	
Private equity				20,759,587	
Real assets				<u>19,279,460</u>	
Total investments measured at net asset value using the practical expedient				<u>\$ 59,368,097</u>	
Total investments at fair value				<u>\$ 185,550,272</u>	
	2022				Valuation Technique
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>	
Investments					
Cash and cash equivalents	\$ 8,908,686	\$ -	\$ -	\$ 8,908,686	Market
Public equity	47,683,936	32,349,175	-	80,033,111	Market
Fixed income	-	29,395,759	-	29,395,759	Market
Total cash and marketable securities	<u>\$ 56,592,622</u>	<u>\$ 61,744,934</u>	<u>\$ -</u>	<u>\$ 118,337,556</u>	
Investments measured at net asset value using the practical expedient:					
Hedge funds				\$ 20,634,440	
Private equity				21,608,958	
Real assets				<u>27,140,711</u>	
Total investments measured at net asset value using the practical expedient				<u>\$ 69,384,109</u>	
Total investments at fair value				<u>\$ 187,721,665</u>	

(Continued)

SAMFORD UNIVERSITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2023 and 2022

NOTE 15 - ENDOWMENTS

The University has interpreted Alabama's adoption of the Uniform Prudent Management of Institutional Funds Act ("UPMIFA") to allow the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment fund absent explicit donor stipulations to the contrary. As a result of this interpretation, the University continues to classify as net assets with donor restrictions held in perpetuity (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

This is consistent with historic dollar value preservation prior to UPMIFA guidelines. The remaining portion of donor-restricted endowment that is not classified in net assets with donor restrictions held in perpetuity, is classified as net assets with donor restrictions restricted by purpose or passage of time or net assets without donor restrictions based on donor restriction and Board appropriation. Appropriations for spending on donor-restricted endowment funds are also classified as net assets with donor restrictions within the operating segment of accounts and are reported as funds released from restriction in the period expended for the purpose specified. The Board maintains a standing authorization for expenditure of the accumulation on funds that are unrestricted or Board-designated quasi-endowment and views these balances as having been appropriated. The original source of these funds is gifts or operating surplus without donor restrictions. Consequently, these amounts, which total approximately \$112,545,000 and \$113,635,000 for 2023 and 2022, respectively, in the aggregate, are classified within net assets without donor restrictions. Board designated funds are primarily used for scholarships, building maintenance and general operations.

The University considers the following factors in determining appropriation for expenditure:

- (1) The duration and preservation of the fund
- (2) The purposes of the University and the function of the endowment fund
- (3) General economic conditions
- (4) The effect of possible inflation or deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of the University
- (7) Investment policies as set by the Board

The University had the following endowment activities during the years ended June 30, 2023 and 2022, delineated by net asset class and donor-restricted versus Board-designated funds:

Endowment Net Asset Composition by Type of Fund: Samford's composition of endowment assets for the years ended June 30 is as follows:

	<u>Year ended June 30, 2023</u>		
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total Net Assets</u>
Donor-restricted	\$ -	\$ 330,925,925	\$ 330,925,925
Board-designated	<u>\$ 112,545,106</u>	<u>-</u>	<u>\$ 112,545,106</u>
	<u>\$ 112,545,106</u>	<u>\$ 330,925,925</u>	<u>\$ 443,471,031</u>

(Continued)

SAMFORD UNIVERSITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2023 and 2022

NOTE 15 - ENDOWMENTS (Continued)

	Year ended June 30, 2022		
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total Net Assets</u>
Donor-restricted	\$ -	\$ 312,711,124	\$ 312,711,124
Board-designated	<u>113,634,565</u>	-	<u>113,634,565</u>
	<u>\$ 113,634,565</u>	<u>\$ 312,711,124</u>	<u>\$ 426,345,689</u>

Change in Endowment Net Assets: The University's change in endowment net assets, by net asset composition, for the years ended June 30, 2023 and 2022 is as follows:

	Year ended June 30, 2023		
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total Net Assets</u>
Beginning balance	\$ 113,634,565	\$ 312,711,124	\$ 426,345,689
Investment return, net	8,720,097	20,402,447	29,122,544
Contributions	92,509	8,443,645	8,536,154
Draws from endowment for operations	(10,079,624)	(11,434,771)	(21,514,395)
Transfers between endowment and other funds	<u>177,559</u>	<u>803,480</u>	<u>981,039</u>
Ending balance	<u>\$ 112,545,106</u>	<u>\$ 330,925,925</u>	<u>\$ 443,471,031</u>

	Year ended June 30, 2022		
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total Net Assets</u>
Beginning balance	\$ 133,734,658	\$ 234,702,914	\$ 368,437,572
Investment return, net	(5,097,284)	(9,422,175)	(14,519,459)
Contributions	72,563	96,496,102	96,568,665
Draws from endowment for operations	(7,496,238)	(9,068,482)	(16,564,720)
Transfers between endowment and other funds	<u>(7,579,134)</u>	<u>2,765</u>	<u>(7,576,369)</u>
Ending balance	<u>\$ 113,634,565</u>	<u>\$ 312,711,124</u>	<u>\$ 426,345,689</u>

Funds With Deficiencies: From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level the donor or UPMIFA, as interpreted, specifies must be retained as a fund of perpetual duration. These negative balances are identified and are commonly referred to as "underwater" funds grouped within endowment net assets with donor restrictions. Deficiencies of this nature exist in 27 donor-restricted endowment funds, which together have an original gift value of \$5,637,000, a current fair value of \$5,546,000 and a deficiency of \$92,000 as of June 30, 2023. Deficiencies of \$568,000 existed at June 30, 2022.

(Continued)

SAMFORD UNIVERSITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2023 and 2022

NOTE 15 - ENDOWMENTS (Continued)

The University has a policy that all spending shall be suspended for funds that are reduced to 85% or less of the historic dollar value. This is applied on a fund-by-fund basis.

Return Objectives and Risk Parameters: The University has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding for programs supported by its endowment while seeking to maintain the purchasing power of endowment assets. The University's policy objective is to maximize total, risk adjusted returns while reducing downside risk through asset allocation and diversification. Investment performance is compared with recognized measures of performance for similar instruments. The target is to meet or exceed a blended index and benchmark based on the endowment target allocation.

Strategies Employed for Achieving Objectives: To satisfy its long-term rate of return objectives, the University relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The University targets a diversified asset allocation that places greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending Policy and Relationship to Investment Objectives: The University has a policy of appropriating for operations each year an amount equal to 75% of the prior year's approved allocation plus, at present, 5% on the endowment balance of the most recently completed year times 25%. This practice has resulted in a steady, predictable amount of distribution from endowment regardless of market volatility. In establishing this policy, the University considered the long-term expected return on its endowment. This policy is consistent with the University's objective to maintain the purchasing power of the endowment assets as well as provide additional growth through new contributions. The Board of Trustees is not precluded from changing the spending rate, applying a different donor prescribed rate or calculation methodology to all or any portion of the endowment market value, or approving any other special expenditure, as deemed appropriate by the Board of Trustees.

For the years ending June 30, 2023 and 2022, the University used Board approved additional spending of \$4,200,000 and \$3,000,000 per year, respectively to meet the additional funding required for retirement plan payments and to supplement scholarship funding.

NOTE 16 - EXPENSES BY BOTH NATURE AND FUNCTION

Expenses are presented below by functional classification in accordance with the overall service mission of the University. Each functional classification displays all expenses related to the underlying operations by natural classification. Certain categories of expenses are attributable to one or more functions of the University. These expenses include depreciation, interest, and facilities maintenance and utilities. Depreciation expense is allocated based on square footage occupancy. Interest expense is allocated to the functional categories that have benefited from the proceeds of the related debt. Facilities maintenance and utilities represents space related costs which are allocated to the functional categories directly and/or based on the square footage occupancy.

(Continued)

SAMFORD UNIVERSITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2023 and 2022

NOTE 16 - EXPENSES BY BOTH NATURE AND FUNCTION (Continued)

Expenses categorized by their functional classification for the years ended June 30 are as follows:

	2023				
	Program Activities		Supporting Activities		
	<u>Academic and Student Services</u>	<u>Administrative Support</u>	<u>Fundraising</u>	<u>Facilities Operation and Maintenance</u>	<u>Total Expense</u>
Salary and wages	\$ 69,536,509	\$ 8,590,150	\$ 2,307,172	\$ 2,331,992	\$ 82,765,823
Benefits	21,140,461	2,611,574	701,425	708,971	25,162,431
Facilities, utilities, and maintenance	521,739	1,046,104	-	11,504,942	13,072,785
Interest	7,265,886	570,715	1,344	420,534	8,258,479
Auxiliary expenses	8,995,762	-	-	-	8,995,762
Depreciation	15,296,705	975,172	28,898	222,970	16,523,745
Lease expense	83,530	1,149,018	18,103	4,477	1,255,128
Supplies and other operating expenses	<u>23,369,364</u>	<u>7,488,168</u>	<u>804,290</u>	<u>751,496</u>	<u>32,413,318</u>
	<u>146,209,956</u>	<u>22,430,901</u>	<u>3,861,232</u>	<u>15,945,382</u>	<u>188,447,471</u>
Facilities operation and maintenance	<u>13,515,045</u>	<u>2,073,420</u>	<u>356,917</u>	<u>(15,945,382)</u>	<u>-</u>
Total expenses	<u>\$ 159,725,001</u>	<u>\$ 24,504,321</u>	<u>\$ 4,218,149</u>	<u>\$ _____-</u>	<u>\$ 188,447,471</u>
	2022				
	Program Activities		Supporting Activities		
	<u>Academic and Student Services</u>	<u>Administrative Support</u>	<u>Fundraising</u>	<u>Facilities Operation and Maintenance</u>	<u>Total Expense</u>
Salary and wages	\$ 66,877,928	\$ 10,390,510	\$ 1,889,375	\$ 2,021,544	\$ 81,179,357
Benefits	19,981,342	3,104,407	564,495	603,983	24,254,227
Facilities, utilities, and maintenance	455,563	984,690	233	11,197,567	12,638,053
Interest	7,229,379	548,947	1,357	424,566	8,204,249
Auxiliary expenses	6,319,655	-	-	-	6,319,655
Depreciation	15,044,150	959,071	28,421	219,289	16,250,931
HEERF scholarships	3,073,512	-	-	-	3,073,512
Lease expense	87,609	1,053,564	-	-	1,141,173
Supplies and other operating expenses	<u>21,761,100</u>	<u>6,442,719</u>	<u>715,706</u>	<u>712,244</u>	<u>29,631,769</u>
	<u>140,830,238</u>	<u>23,483,908</u>	<u>3,199,587</u>	<u>15,179,193</u>	<u>182,692,926</u>
Facilities operation and maintenance	<u>12,761,278</u>	<u>2,127,986</u>	<u>289,929</u>	<u>(15,179,193)</u>	<u>-</u>
Total expenses	<u>\$ 153,591,516</u>	<u>\$ 25,611,894</u>	<u>\$ 3,489,516</u>	<u>\$ _____-</u>	<u>\$ 182,692,926</u>

NOTE 17 - RELATED PARTY TRANSACTIONS

On an annual basis, the University distributes a questionnaire to trustees, officers and key employees for the purpose of determining if there are any possible conflicts of interest. In the ordinary course of business, the University has business relationships with certain vendors, such as utility companies, health providers and financial institutions at which trustees may be employed or Samford personnel may have involvement. Related party transactions are monitored by the Board of Trustees pursuant to the University's conflict of interest policy. Included in pledges receivable (Note 3) are pledges from trustees and officers totaling \$954,074 and \$823,818 at June 30, 2023 and 2022, respectively.

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX B

MARKET STUDY

[THIS PAGE INTENTIONALLY LEFT BLANK]



Student Housing Market Analysis

Memorandum of Findings

November 2023



DISCLAIMER



The materials set forth in this Market Analysis ("Analysis") and the accompanying statements provided by Rieth Jones Advisors' ("RJA") officers and representatives are RJA's findings based on existing market conditions and historic information made available to RJA during the Analysis. Recommendations contained herein represent the professional opinions of RJA and do not assure future performance. RJA disclaims all warranties, expressed or implied, including but not limited to implied warranties or merchantability and fitness for particular purpose. The Analysis only includes the assets referenced in the proceeding pages. RJA was not requested to, and this Analysis should not be considered to, evaluate operating expenses and the overall financial performance of Project Lux (the "Project"). RJA relied on information provided by Samford University (the "University" or "Samford"), Landmark Development Company ("Landmark") and publicly available data, including but not limited to, common data sets, and institutional fact books as well as best practices based on our experience to supplement the information provided.

The Analysis findings are based on assumptions, anticipated events and trends, the economy and other future conditions whose accuracy cannot be guaranteed. Because certain statements and recommendations in the Analysis relate to the future, such statements and recommendations are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of RJA's control. Actual results and financial conditions may differ materially from those indicated in the Analysis. Recipients of the following information should not rely on statements and recommendations that project future housing conditions. Important factors that could cause the actual results and financial conditions to differ materially from those indicated in such statements include, among others, the following: changes in local, regional, and national market conditions, changes in economic market conditions (including volatility in interest and exchange rates), conditions in the housing and labor markets, as well as local, national, and global pandemics. Enrollment, marketing, leasing, residential life, facility maintenance services, and various other external and internal market factors will continue to directly impact overall demand for on-campus housing. RJA cannot, and expressly denies any, warranty or representation of future projections based on the uncertain level of these factors. Finally, any representation or warranty on future projections made by us in the Analysis is based only on information currently available to us and speaks only as of the date on which it is made. RJA undertakes no obligation to update any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or otherwise.

Existing University housing rental rates tested in the student survey have been reviewed and approved by Samford and assume a future investment strategy to be pursued by Samford or its investment partners as part of the Project Lux initiative. Achieving the demand projections identified herein is informed by the rental rates tested in the student survey. Samford leadership emphasizes that offering a high-quality residential environment throughout its housing system (both existing and new student housing) is a critical element of Samford's brand and student experience, which distinguishes the campus from its peer and competitive institutions. Samford recognizes that continued reinvestment in existing housing is required to generate more uniformity within its residential communities both in terms of experience and rental rate. Samford has not committed to a specific reinvestment approach for existing housing at the time of the Analysis but will continue to implement plans to increase the quality and rents of existing student housing as described, given its importance to the University's housing strategy.

TABLE OF CONTENTS

- KEY TAKEAWAYS
- BACKGROUND & OVERVIEW
- EXISTING CONDITIONS
- PEER COMPETITION
- OFF-CAMPUS ANALYSIS
- DEMAND ANALYSIS
- ADDITIONAL CONSIDERATIONS
- APPENDIX

KEY TAKEAWAYS

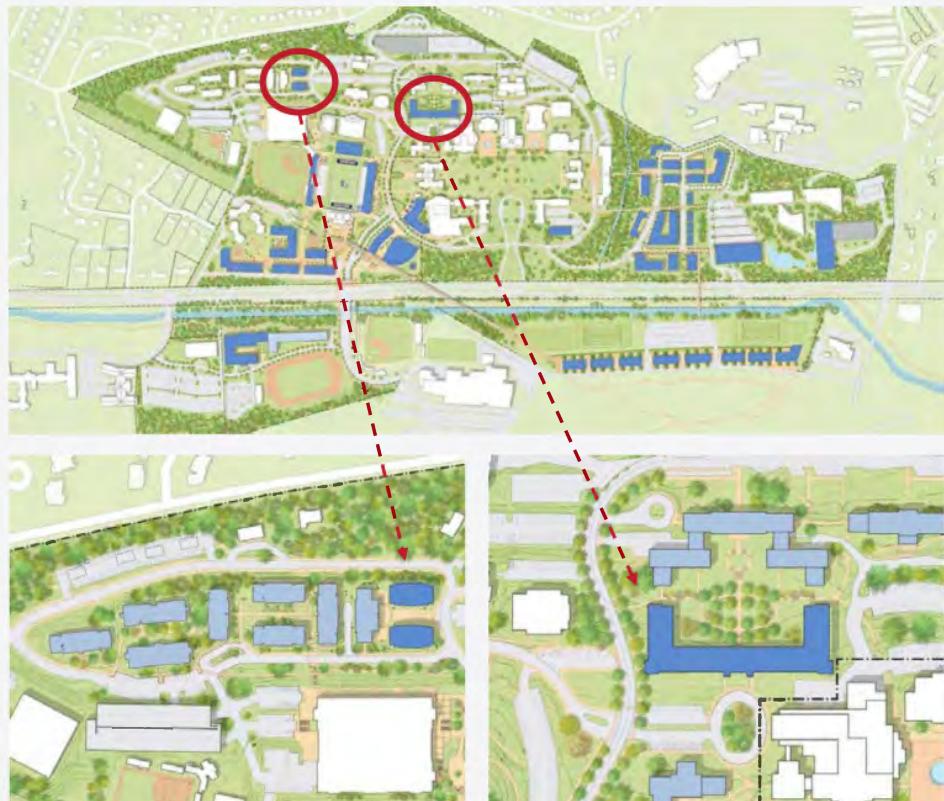
1. **There is sufficient demand to support Phase IA of Project Lux (652 total beds including 512 beds of first-year housing and 140 beds of Greek housing) at the rental rates tested within the student survey. Fall 2025 campus-wide demand equals 3,187 beds which results in 160 beds of excess demand above the Phase IA inventory.**
2. Samford's housing system has been at, or near, 100% occupancy over the past several years (not including the pandemic when select communities were designated as quarantine housing). The University has not been able to enforce its three-year housing requirement due to its full occupancy. Samford's five-year average capture rate for sophomores (80%) and juniors (44%) is inconsistent with its mission and commitment to incoming students. This below-target capture rate can be attributed to:
 - a. **Enrollment growth:** First-year enrollment has grown by nearly 20% since fall 2019 (from 901 to 1,080 students). Samford's first-year population combined with strong second-year retention (91%) and matriculation (79% six-year graduation rate) limits housing capacity for non-first-year students. Samford is projecting first-year enrollment to grow by 72 students (+7%) and 435 students (+40%) by fall 2025 and 2031, respectively.
 - b. **Housing assignments process:** Prioritization of first-year and senior students in the housing assignments process limits the system's ability to capture sophomore and junior students who are required and desire to remain on campus.
 - c. **Limited inventory:** The University's 2,375-bed designed capacity is not sufficient to accommodate approximately 2,700 first-year, sophomore, and junior students who are under age 21 and required to live on campus.
3. The limited availability of off-campus rental options immediately surrounding Samford elevates student interest to remain in University housing beyond the three-year requirement. Students have demonstrated that they are highly satisfied living on campus (93% satisfaction rate in the survey), and many would prefer to remain in Samford housing throughout their undergraduate experience.
4. Samford's ability to grow and retain its first-year population is occurring despite not offering modern residential facilities. Samford's newest non-Greek housing community opened in fall 2013 (West Village); however, this complex is intended for junior and senior students. The first-year communities in Central Campus are 60+ years old with only Pittman (156 beds) receiving a renovation in 2011.
5. Samford's peer and competitive institutions continue to invest in new and highly amenitized on-campus options for all students, providing peers with advantageous assets. Nearly all identified peers have invested into new or renovated housing (often for first-year students) since fall 2021. ⁴

BACKGROUND & OVERVIEW

WORK PLAN

- Landmark Development Company engaged RJA to confirm housing demand for Project Lux at Samford University. **RJA analyzed the University's existing housing conditions, enrollment trends, and rental rates and integrated this information into a student housing demand assessment to reconcile future housing interest with the University's existing and future offerings.**
- RJA confirmed demand for the Project through a variety of market analysis activities including:
 - University stakeholder meetings and discussions
 - Student focus groups
 - Campus tour
 - Existing conditions analysis
 - Student survey and demand analysis
 - Off-campus market analysis
 - Peer benchmarking analysis
- The Analysis and findings are based on the information available at the time of the assessment. RJA appreciates the University and Landmark team's responsiveness throughout the process to inform the completeness of findings contained herein.

Project Lux New Buildings Plan



Greek Village Location

First-Year Community Location

BACKGROUND & OVERVIEW

PROJECT LUX IMPLEMENTATION STRATEGY

- Project Lux represents a transformative initiative that will redefine Samford's landscape and enhance the overall University experience. This expansive mixed-use, multi-phase development intends to revitalize campus through new residential spaces, dining, retail, hospitality, and parking facilities.
- The first phase of the Project (Phase IA) will be delivered in fall 2025. Phases IB, II, and III are targeted to open in fall 2026, 2028, and 2031, respectively.
- This Analysis focuses on Phase IA housing demand only (non-housing components are excluded from the Analysis). Demand projections are provided through fall 2031; however, this Analysis is not intended to evaluate demand for future phases. Phases IB, II, and III will require separate market analyses prior to financing.**
 - Phase IA includes a first-year community with 512 semi-suite beds in the core of campus within close proximity to dining and other campus services. This phase also includes 140 double-occupancy beds for non-first-year students which are intended to address housing needs for Greek organizations. To the extent that excess non-first-year housing demand exists and the Greek housing is not fully occupied, Samford will make the Greek Village communities available to the general undergraduate population.
 - Phases IB, II, III, are planned to bring nearly 1,200 additional full-suite and apartment beds to campus for non-first year students. These new communities are intended to revitalize the West Village and Beeson Woods neighborhoods and offer more private and independent living options for older students as they matriculate.

Project Lux Phasing Overview

RJA Analysis

Delivery in fall of:	2025	2026	2028	2031
	Phase IA	Phase IB	Phase II	Phase III
Housing Program				
First-Year Housing	512	0	0	0
Greek Housing	140	0	0	0
Non-First-Year Housing	0	430	312	386
Non-Housing Components				
New Parking (Stalls)	550	600	600	486
Hotel (Keys)	140	0	125	0
Retail & Dining (GSF)	25,000	40,000	45,000	40,000

First-Year Community Rendering



Greek Village Rendering



BACKGROUND & OVERVIEW

ABOUT SAMFORD UNIVERSITY

- Samford University, located in Homewood, Alabama, is a distinguished private institution that was established in 1841. The University is known for its commitment to academic excellence and Christian mission that provides a supportive community for students to grow intellectually and spiritually. Samford offers 240+ degree programs to its population of 5,800+ undergraduate, graduate, and professional students as well as various extracurricular activities that contribute to a vibrant student life.
- **Samford has a strong focus on student life and the creation of a dynamic on-campus experience which is evident with its recent capital projects.** The University has invested \$130mm+ across campus to renovate existing academic and campus services facilities over the past several years. Samford recently opened a fully renovated dining facility and plans to open a brand-new \$65 million recreation complex in fall 2024 which will further modernize the campus experience.

Samford University Campus



Recreation Complex Rendering



IMPORTANCE OF HOUSING TO SAMFORD'S MISSION

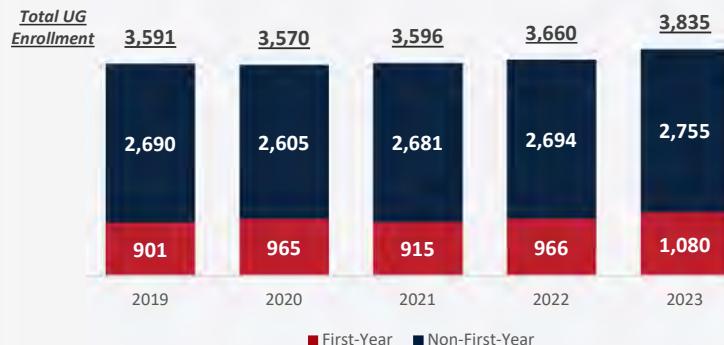
- Samford desires to expand its housing portfolio in response to growing demand to live on campus. Project Lux is a significant step forward in addressing the need for additional on-campus inventory to support the University's expanding student population.
- **Housing is central to Samford's overarching mission. The University has a three-year housing requirement and target of capturing 75% of undergraduate students within its on-campus inventory.**
- Living on campus is essential to Samford's commitment of delivering a campus experience that promotes student academic success and developing a lifelong connection with peers and the University. Housing is linked to the University's objectives of fostering student success, creating a sense of uniformity across campus, promoting social cohesion, and supporting graduation and retention rates.
- **Increasing the housing program is critically important to support continued first-year and overall undergraduate enrollment growth.** The University's residency rate will decline and potentially displace sophomore, junior, and senior students who desire to remain on campus without a simultaneous expansion of housing facilities.

EXISTING CONDITIONS

ENROLLMENT TRENDS

- Samford has experienced strong enrollment growth over the past several years (nearly 20% total increase in first-year enrollment from fall 2019-2023) which contributes to a strong future enrollment outlook for the University.** The University enrolled 1,080 first-year students in fall 2023 and plans to continue expanding first-year enrollment.
 - Samford's first-year enrollment growth has contributed towards a seven percent (7%) overall undergraduate increase since 2019.
 - The University enrolled 3,013 undergraduate students the last time a new non-Greek facility opened on campus (West Village, 2013). Samford has grown by 822 undergraduate students since this time.
- The University has a consistent record of outperforming first-year admission projections.** Samford Admissions targeted a steady increase in first-year enrollment since 2015 (from 775 to 975 students [+26%]) and surpassed its planned growth each year (except in fall 2021 during the pandemic). Enrollment targets are exceeded by an average of 45 students each year.
- Samford has strong second-year retention (91%) and six-year graduation (79%) rates in addition to its history of exceeding enrollment targets. These factors have contributed towards Samford's sustained overall undergraduate enrollment growth and continuation of this success is critical to meeting the University's enrollment projections (see Page 16).

Undergraduate Enrollment Trends (Fall 2019 - 2023)



First-Year Admissions Targets & Actuals (Fall 2015 - 2023)



EXISTING CONDITIONS

HOUSING OCCUPANCY & PARTICIPATION

- **Samford's recent enrollment growth has negatively impacted its ability to accommodate students who are required to live on campus.** The University has been forced to adopt a more lenient approach to granting off-campus petitions to sophomore and junior students who are required to live on campus.^[1]
- Samford's housing system (2,375 designed capacity beds) has been nearly 100% occupied during the past two years and prior to the pandemic. The system has been at least 98% occupied since fall 2015 (not shown in chart).
 - The University responded to growing demand by adding 132 beds this semester (2,507 total beds) by converting 33 double-occupancy bedrooms into triples and entering into an off-campus partnership for 99 beds. The University's off-campus partnership with Tributary Rise Apartments (four miles from campus) is viewed as a short-term solution and is annually renewable.
- Nearly all (97%) first-year students lived on campus in fall 2023. **The University's housing assignments process is a contributing factor as to why sophomore (83%) and junior (41%) capture rates fall below expectations for an institution with a three-year housing requirement.** The current assignments process prioritizes first-year and senior students which limits the system's ability to capture sophomore and junior students who are required and desire to remain on campus. **There are nearly 500 sophomore and junior students who were exempt from the housing policy this year.**
 - **Samford desires to fully enforce its housing requirement in future years and is dependent on additional capacity to achieve this outcome.**
- Students expressed a high level of contentment with their on-campus experience and indicate a desire to remain on campus. A majority (82%) of survey respondents expressed that living on campus enhanced their Samford experience.

Housing Occupancy & Capture Rate Trends (Fall 2019 - 2023)

	2019	2020	2021	2022	2023
FR Residents	864	919	870	934	1,046
<i>Capture Rate</i>	96%	95%	95%	97%	97%
SO Residents	862	760	902	886	904
<i>Capture Rate</i>	81%	74%	81%	81%	83%
JR Residents	401	351	279	373	355
<i>Capture Rate</i>	52%	45%	35%	45%	41%
SR Residents	199	154	158	123	130
<i>Capture Rate</i>	24%	19%	20%	16%	16%
GR Residents	25	44	23	29	66
<i>Capture Rate</i>	1%	2%	1%	1%	3%
Total Residents	2,351	2,228	2,232	2,345	2,501
Total Capacity	2,375	2,339	2,375	2,375	2,507
Occupancy %	99%	95%^[2]	94%^[2]	99%	100%

[1] Additional information about the University's housing requirement and assignments process can be found on Page 19.

[2] Occupancy rates in fall 2020 and 2021 were impacted by the pandemic as beds across campus were offline for quarantine and isolation housing. There were limits on campus for socialization during this time and a larger number of students were permitted to live off campus.

EXISTING CONDITIONS

HOUSING INVENTORY & RENTAL RATES

- Samford has not built new housing in several years to support its housing requirement. The most recent communities include the Tri Delta sorority house (2017) and West Village (2013).** Samford's last designed first-year community was Smith and Pittman (1962) but has since needed to expand first-year housing into Beeson Woods due to enrollment growth.
- The most recent first-year community investment occurred with a renovation to Pittman in 2011. This project included updated bathrooms, flooring, paint, and study rooms.
- The current housing system is mostly delivered in double-occupancy bedrooms (86%). Samford offers single-occupancy beds on a limited basis in West Village apartments.
- Nearly all of Samford's housing rates are below \$4,000/semester in fall 2023. **The only exception is West Village apartments (single-occupancy bedrooms) which cost \$5,036/semester. West Village (intended for non-first-year students) is the first community to fill up during the housing assignments process and has the longest waiting list.**

Fall 2023 Inventory Summary

Neighborhood	Residence Hall	Year Built / Renovated	Unit Type	Bed Count	Rental Rate
Beeson Woods	Dwight	1987	Full-Suite 2x	41	\$3,629
	Ethel	1988	Full-Suite 2x	41	\$3,629
	Evergreen	1994	Semi-Suite 2x	108	\$3,279
	James	1986	Full-Suite 2x	40	\$3,629
	Lucille	1987	Full-Suite 2x	41	\$3,279
	Luther	1986	Full-Suite 2x	37	\$3,629
	Malcolm	1986	Full-Suite 2x	40	\$3,629
	Marvin	1988	Full-Suite 2x	41	\$3,629
	Orlean	1987	Full-Suite 2x	41	\$3,629
	Ralph	1987	Full-Suite 2x	41	\$3,629
	Rosa	1988	Full-Suite 2x	49	\$3,629
	Treetop	1986	Full-Suite 2x	41	\$3,629
	Wesley	1986	Full-Suite 2x	41	\$3,629
Central Campus	Vail	1957	Trad./Semi-Suite 2x	408	\$3,279
	Pittman	1962 / 2011	Traditional	156	\$3,279
	Smith	1962	Trad./Semi-Suite 2x	200	\$3,279
West Campus	Alpha Delta Pi	1990	Semi-Suite 2x	76	\$3,915
	Alpha Omicron Pi	1991	Semi-Suite 2x	66	\$3,915
	Chi Omega	1990	Semi-Suite 2x	74	\$3,915
	Phi Mu	1991	Semi-Suite 2x	70	\$3,915
	Pi Kappa Phi	1991	Semi-Suite 2x	48	\$3,915
	Sigma Chi	1991	Semi-Suite 2x	46	\$3,915
	Tri Delta	2017	Semi-Suite 2x	70	\$3,915
	Zeta Tau Alpha	1990	Semi-Suite 2x	86	\$3,915
	Shelburn Lane	1972	Traditional 2x	10	\$2,728
	Mountain View	1991	Traditional 3x	110	\$3,279
West Village	Theta Alpha	1965	Traditional 2x	22	\$3,629
	Building 100	2013	Apartment 1x	100	\$5,036
	Thorne Hall	2013	Apartment 1x	100	\$5,036
	Building 300	2013	Apartment 1x	100	\$5,036
	Student Apts.	1962	Apartment 2x	64	\$2,728
	TOTAL			2,408	
N/A	Tributary Apts.	N/A	Apartment 2x	99	\$3,629
TOTAL (Including Tributary Rise Apartments)					2,507



PEER COMPETITION

Nearly all identified peer institutions have invested into new or renovated housing communities since fall 2021 which elevate the residential experience and can be leveraged as recruitment assets. Several of the new construction projects on peer campuses are focused on first-year students. Additional information about Samford's peer institutions can be found on Pages 20 and 21.

CURRENTLY UNDER CONSTRUCTION



GRAVES HALL

- Opened in fall 2023
- Double-occupancy suite-style rooms
- First-year community
- Meal plan required
- \$3,830 per semester



CALDWELL HALL

- Opened in fall 2022
- Single-occupancy furnished apartments, 1-6BR units
- Upper-division undergraduate community
- Meal plan required
- \$5,160 - \$6,200 per semester



EAST NEIGHBORHOOD COMMONS EXPANSION

- Opening in fall 2024
- First-year community
- Traditional single and double-occupancy rooms
- Meal plan required



SOUTH HOUSING RENO.

- Opening in fall 2024
- First-year community
- Includes one new construction residence hall and comprehensive renovation of four residence halls
- Meal plan required

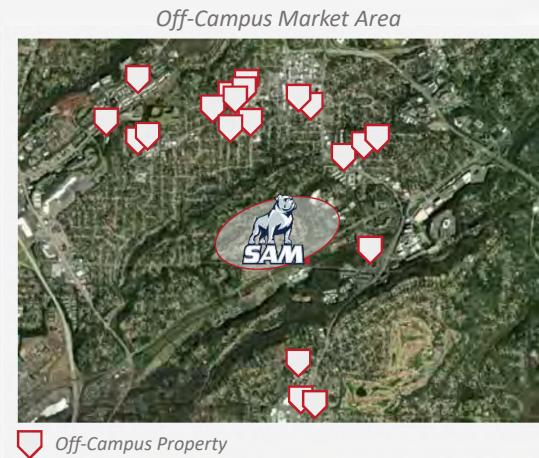


OFF-CAMPUS ANALYSIS

SAMFORD MARKET

- The University's three-year housing requirement has limited developer interest to pursue purpose-built off-campus housing that targets Samford's students. There are no purpose-built communities within 1.5 miles of Samford's campus.
- The off-campus analysis included 22 properties (approximately 3,450 beds^[1]):
 - There are limited multi-family communities within walking distance of Samford's campus. The University is located off of a major thoroughfare (Lakeshore Drive) and there are no sidewalks that promote connectivity to campus.
 - The area adjacent to campus is a high-income neighborhood with limited rental properties available for students. Many students report driving several miles (average commute is ten minutes) from Samford to their off-campus apartment each day.
- The average off-campus rental rate is \$844/month for the properties included in the analysis. **More than 80% of off-campus survey respondents indicated that their living costs exceed \$700/month which includes 36% whose expenses are greater than \$1,000/month.**
 - Samford students indicate that they are paying above-market rates which suggests that they are seeking destination off-campus communities that meet their location and/or amenity preferences and their housing decisions are not solely influenced by cost.
 - While off-campus residents indicated that they are satisfied with their current experience (98% satisfaction), more than 84% confirmed that living on campus in the past enhanced their Samford experience.

[1] Additional information about off-campus communities can be found on Page 23.



Off-Campus Community Examples



DEMAND ANALYSIS

DEMAND METHODOLOGY

- A unique combination of various methodologies were used to determine Samford's maximum potential on-campus housing demand:
 - Residence Life's policies and best practices
 - Student survey data
 - Primary Student Market ("PSM") filters
 - Off-campus market analysis
- Housing preferences from the student survey (1,692 total responses / ~29% response rate) were applied to Samford's overall fall 2023 enrollment to understand current and future housing demand
- **The final demand analysis yields a solution that balances current institutional conditions with economic realities and identifies future housing needs based off Samford's enrollment projections.**
- The PSM is the projected total demand that Samford would realize if housing preferences were met. Students must demonstrate both a willingness and ability to live on campus. Samford's PSM filters include:
 - All current on-campus students
 - (+) All off-campus students who are traditionally aged, single without dependents, and paying \$950+ per month for rent and utilities
- **(=) Total PSM Demand**

SURVEY METHODOLOGY

- Students were presented with several existing and new residence hall and apartment layouts and asked to choose their preferred option if it had been available on campus this semester. The question described that any new community would be on campus, within close proximity to dining and recreation facilities, and offer modern housing amenities to residents. Students were shown the below images to illustrate the level of quality that would be achieved through new construction at Samford.
- **The rental rates that were surveyed for existing units are in fall 2023 dollars and differ from Samford's current rates^[1] given the University's planned strategy of reinvestment into existing facilities to create a more consistent residential experience across campus.**
- The following unit types, rental rates^[2], and images were presented in the survey:

Surveyed Unit Types and Rental Rates

Construction	Unit Type	Semester Rental Rate
Existing	Traditional 2x or 3x	\$3,800 - \$4,300
Existing	Semi-Suite 2x or 3x	\$3,800 - \$4,300
Existing	Full-Suite 2x	\$4,300 - \$4,600
Existing	Apartment 1x	\$5,700 - \$5,900
New	Semi-Suite 1x or 2x	\$5,000 - \$5,500
New	Full-Suite 1x or 2x	\$6,100 - \$6,400
New	Apartment Studio, 1BR, 2BR	\$6,400 - \$6,800

New Construction Example Images



[1] Additional information about the University's existing rental rates can be found on Pages 2 and 10.

[2] Each price point was accompanied by unit type images which are shown on Page 22.

DEMAND ANALYSIS

STUDENT FEEDBACK

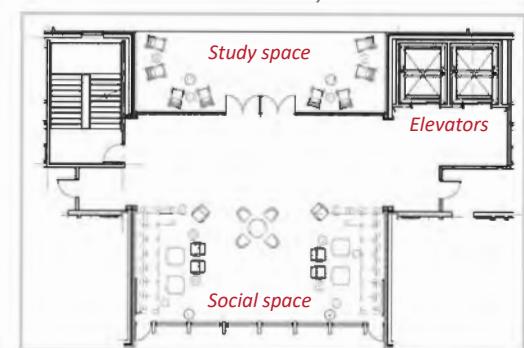
- RJA conducted a survey and student focus groups in fall 2023 to obtain feedback from Samford students regarding their housing preferences and overall experience. Landmark considered student preferences and feedback regarding a variety of amenities to enhance the Project's alignment with demand.

Students agree with the importance of new housing at Samford and provided the following feedback:

- "Building new student housing would be a huge marketing opportunity to attract new students."*
 - "If more students are accepted into Samford, adequate housing needs to be available."*
 - "I see Samford growing and I want to be able to live on campus, so we need more housing options. I'm worried I won't have a spot in the future."*
 - "Having more common areas for studying could foster community."*
 - "...laundry units on each floor and amenities such as study rooms in residence halls."*
 - "You could draw students by having modern finishes, a clean look and feel, and amenities."*
 - "...modern design style, updated furniture, and better internet."*
 - "Include housing options that are fully accessible with an elevator."*
- The Project includes the following features that align with student feedback:**

- | | |
|---------------------------------|-------------------------|
| ✓ Social / community spaces | ✓ Modern furniture |
| ✓ Private and group study rooms | ✓ Elevators |
| ✓ Updated fixtures and finishes | ✓ Outdoor social spaces |

First-Year Community Floor Plan



Roof Terrace



DEMAND ANALYSIS

FALL 2025 HOUSING DEMAND (PHASE IA)

- Sufficient demand exists to support 512 beds of new first-year semi-suites and 140 beds of new Greek housing at the rental rates tested within the survey. Total fall 2025 housing demand is 3,187 beds which exceeds Samford's capacity by 160 beds when Project Lux Phase IA opens.**
 - Samford is expected to experience a shortage of 19 beds within the Project Lux inventory (671 total beds of demand). In the event of adverse market conditions, Samford may utilize its housing requirement to support an assignment strategy that limits demand risk for the Project.
 - Nearly 60% of first-year students (this percentage is consistent across all undergraduate classes) indicate that updated or new construction housing options would strongly elevate their residential experience at Samford. **The median income of Samford's families in fall 2023 is \$187,000 per year which provides additional confidence that students have the financial capacity to afford their preferred unit types.**
- Samford will more stringently enforce its three-year housing requirement in alignment with the University's mission once new inventory is available. It is estimated that Samford's enforcement of the housing policy will yield a 94% and 84% sophomore and junior capture rate, respectively, based on student demographic data.
- Samford plans to assign an organization to each of the new Greek housing facilities and the organizations will master lease all beds in the individual facility. Additional information about this process can be found on Page 19. Excess demand from independent non-first-year students that is not captured in residence halls can be used to backfill Greek housing should the University not secure a master lease.

Fall 2025 Housing Demand (Phase IA)											
Student Classification	Fall 2023 Capture Rate	Potential Capture Rate	Greek Housing		Traditional	Semi-Suite	Full-Suite	Apartment	NEW Semi-Suite	NEW Greek Housing	TOTAL
			\$3,800 - \$4,300	\$3,800 - \$4,300	\$3,800 - \$4,300	\$4,300 - \$4,600	\$5,700 - \$5,900	\$5,000 - \$5,500	\$3,800 - \$4,300		
First-Year	96.9%	96.9%	0	536	67	0	0	514	0	1,117	
Sophomore / Returning FR	82.6%	94.2%	327	103	150	187	56	9	103	935	
Junior	41.1%	83.8%	182	7	74	229	148	0	34	675	
Senior / Other UG	16.3%	30.4%	22	0	28	55	160	0	11	277	
Graduate ^[1]	3.4%	9.3%	7	0	0	26	150	0	0	183	
TOTAL DEMAND	43.1%	54.6%	539	645	319	498	515	523	148	3,187	
Fall 2025 Capacity			536	654	325	496	364	512	140	3,027	
Surplus/(Shortage)			(3)	9	6	(2)	(151)	(11)	(8)	(160)	
<i>By Unit Type</i>										(19)	

[1] The University does not anticipate expanding housing for graduate students in a significant way in the future.

DEMAND ANALYSIS

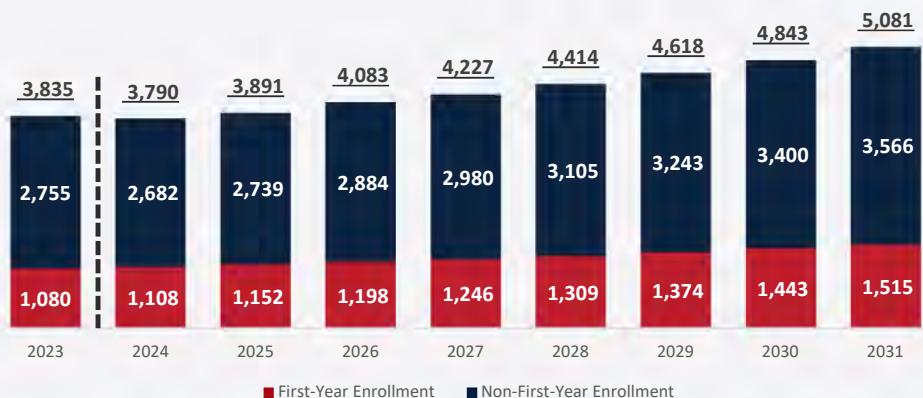
UNIVERSITY ENROLLMENT PROJECTIONS

- Samford anticipates consistent first-year and total undergraduate enrollment growth over the next decade. **The University expects to achieve enrollment of 1,515 first-year students (40% growth) and 3,566 non-first-year students (29% growth) at the completion of Project Lux in fall 2031.**

FALL 2031 HOUSING DEMAND

- There is expected to be significant excess demand in fall 2031 (1,067-bed shortage) resulting from Samford's planned enrollment growth that will be unrealized if future phases of Project Lux are not implemented.**
- The University must continue to expand housing inventory in conjunction with enrollment growth to support its housing requirement.
 - The future Project Lux phases assume 462 net new beds following the completion of Phase 1A. The new construction is planned to include 1,128 beds and there is consideration to demolish Student Apartments (64 beds) and Beeson Woods (602 beds). This implementation strategy would result in 605 beds of excess demand remaining beyond Project Lux's final phase.

Undergraduate Enrollment Projections (Fall 2023 - 2031)^[1]



Fall 2031 Housing Demand (Capacity Following Phase IA - Fall 2025)

Student Classification	Potential Capture Rate	Greek Housing	Traditional	Semi-Suite	Full-Suite	Apartment	NEW Semi-Suite	NEW Greek Housing	TOTAL
		\$3,800 - \$4,300	\$3,800 - \$4,300	\$3,800 - \$4,300	\$4,300 - \$4,600	\$5,700 - \$5,900	\$5,000 - \$5,500	\$3,800 - \$4,300	
First-Year	96.9%	0	646	205	0	0	616	0	1,467
Sophomore / Returning FR	94.2%	365	85	110	414	122	12	110	1,218
Junior	83.8%	146	9	60	318	292	0	34	859
Senior / Other UG	30.4%	26	0	22	81	228	0	11	367
Graduate	9.3%	7	0	0	26	150	0	0	183
TOTAL DEMAND	58.4%	544	739	397	838	791	628	155	4,094
Fall 2025 Capacity		536	654	325	496	364	512	140	3,027
Surplus/(Shortage)		(8)	(85)	(72)	(342)	(427)	(116)	(15)	(1,067)
<i>By Unit Type</i>									(131)

^[1] All enrollment projections have been provided by Samford.

ADDITIONAL CONSIDERATIONS

FUTURE OPPORTUNITIES

- **There are several strategies that could be used to reduce excess inventory on campus in the unlikely event that the University falls short of its enrollment growth projections:**
 - The University has expressed interest in expanding summer housing opportunities in the future. Nearly 260 survey respondents (15% of all respondents) indicated that they would be interested in a 12-month lease on campus.
 - Graduate students are currently underserved in housing and are an untapped market that could be leveraged to increase occupancy (66 live on campus in fall 2023, a three-percent capture rate). The Analysis projects 183 beds of graduate student demand (shown on Pages 15 and 16) and Samford may consider expanding its focus on this population if vacancy exists in the future.
 - Samford may consider de-densifying existing housing inventory (changing shared bedrooms into private) to respond to student preferences which will reduce supply in other on-campus communities.

OTHER CONSIDERATIONS

- **Samford recognizes that continued reinvestment in existing housing will be required with the implementation of Project Lux to generate more uniformity within its residential communities both in terms of experience and rental rate.** Samford has not committed to a specific reinvestment approach for existing housing at the time of the Analysis but will continue to implement plans to increase the quality and rents of existing student housing given its importance to the Project's housing strategy.
- The University will need to evaluate requests from students who are assigned to the Project and may need to be placed in another community on campus based on individual affordability needs.
- New Project Lux facilities are going to be operated as part of the housing system and will be a seamless experience for students.



Student Housing Demand Analysis

Appendix

November 2023



APPENDIX

HOUSING POLICY & ASSIGNMENTS PROCESS

- Samford has a three-year housing policy which requires all students under the age of 21 to live on campus unless they are married or live at home with family. All on-campus residents are required to purchase a meal plan. **Students (and their parents) typically anticipate availability of on-campus housing throughout their undergraduate experience upon enrolling.**
- Students who are entering their fifth semester, have a minimum GPA of 2.5, and are in good standing with the University may petition for permission to move off campus. The University recommends that students live on campus until the completion of their bachelor's degree, but students with senior status may live off campus without a petition.
 - **The University has been unable to enforce its housing policy over the past two years due to inventory constraints. Once there is additional inventory on campus with the opening of Project Lux, petitions to live off campus will only be accepted under special circumstances.**
- The current housing assignments process gives priority to students in the following order: current on-campus residents (starting with seniors, juniors, and then sophomores), incoming first-years, transfer students, and commuters. Central Campus halls (Vail, Pittman, and Smith) are not available to non-first-year students.
 - First-year students typically expect to live in Central Campus. Excess demand beyond Central Campus is redirected to Beeson Woods (full-suites) which is not designed with the intent of supporting first-year students.
- Nearly all of Samford's occupancy occurs during the fall and spring semesters as summer housing is limited to students who are enrolled during the summer term. The University has expressed interest in expanding opportunities for summer housing in the future.

GREEK HOUSING

- Greek housing assignments are dependent on the policies of each individual organization. Greek organizations are responsible for reaching 100% occupancy each semester per the organization's contract with the University.
- **Samford's approach to initiating a new Greek facility in the future will follow a similar strategy as the Tri Delta project in 2017. Existing sororities will be engaged and offered the opportunity to relocate to the new facility.**
 - In the event that an existing sorority chooses to relocate, their vacated house will be made available to another organization or independent students.
 - Should the sorority choose to remain in their existing house, the new house will then be offered to Kappa Delta, which is a newly established organization on campus.
- The ultimate objective of the University is to allocate each facility to a single organization. During the initial year there may be a mix of Greek and independent students occupying the facilities.

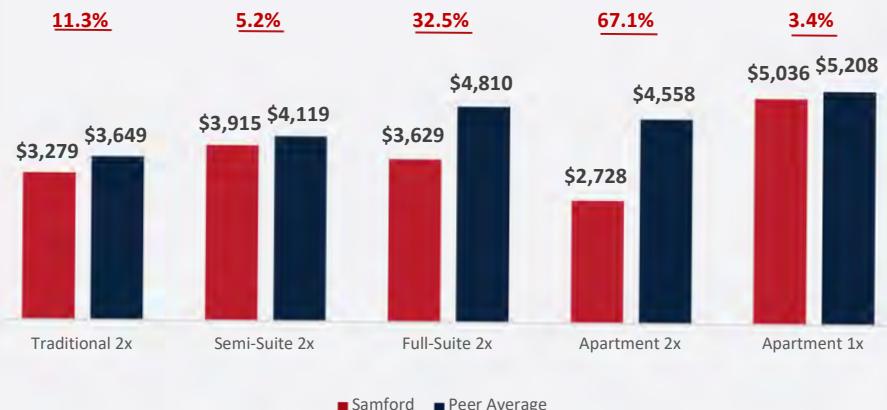
APPENDIX

PEER HOUSING & TUITION PRICING COMPARISON

- RJA identified seven peer and aspirant institutions: Belmont University, Creighton University, Elon University, Furman University, Wake Forest University, Wheaton College, and Xavier University.
- Samford's housing rates are priced significantly below the peer institutions for each unit type offered. Samford's inventory costs \$3,717 per semester, on average, compared to the peer average of \$4,469 (20% premium over Samford).**
- The following facilities at peer institutions have recently opened or are currently under construction:
 - Belmont University:** Caldwell Hall, 2022 (new construction)
 - Creighton University:** Graves Hall, 2023 (new construction)
 - Elon University:** East Neighborhood Commons, 2024 (new construction)
 - Furman University:** South Housing, 2024 (renovation)
 - Xavier University** (not shown on Page 11): Brockman Hall, 2021 (renovation)
 - Wake Forest University** (not shown on Page 11): Angelou Hall, 2017 (new construction)
- Samford's cost of attendance for the fall 2023 academic year (\$43,746) is the lowest among peers and is 29% below the peer average (\$56,391).^[1]
 - After financial aid, Samford's average cost of attendance is similar to peers. Samford bills an average of \$30,716 after aid, compared to a peer average of \$30,547.^[2]

Peer Rental Rates by Unit Type (Fall 2023)

Peer premium over Samford:



Peer Cost of Attendance (Excludes Housing)

Peer Average: \$56,391



[1] Cost of attendance metric includes tuition, fees, and meal plan but excludes housing cost.

[2] Based on most recent available data (fall 2020) from U.S. Department of Education Data Set

APPENDIX

PEER ENROLLMENT TRENDS

- Samford experienced above average first-year enrollment growth (7.2% growth compared to 2.4% average peer increase) from fall 2019 to 2022.**^[1] The University has also demonstrated total undergraduate growth and has out-performed several peers.
 - Samford has been able to avoid the enrollment decline that some institutions, such as Furman and Creighton, have recently experienced.
- Belmont, Creighton, Elon, and Xavier require students to live on campus for two years and Wake Forest requires three years. Furman has a four-year housing requirement.
 - Samford captures fewer undergraduate students (59% capture rate) on campus than Wake Forest (75% capture rate) who also has a three-year housing policy because of limited inventory.
 - Elon University is similar to Samford in that they have experienced positive enrollment growth and a have limited off-campus market; however, they have made significant investments in on-campus housing and capture more undergraduates (69%) than Samford with only a two-year housing requirement.

[1] Peer data for fall 2023 was not available at the time of this report. Wheaton College excluded from the peer enrollment analysis due to limited data availability.

Peer First-Year Enrollment (Fall 2019 - 2022)

	2019	2020	2021	2022	% Δ (2019-2022)
Belmont	1,675	1,586	1,827	1,910	14.0%
Samford	901	965	915	966	7.2%
Elon	1,659	1,584	1,590	1,692	2.0%
Wake Forest	1,359	1,452	1,411	1,370	0.8%
Furman	648	514	653	646	-0.3%
Creighton	1,076	1,014	1,138	1,028	-4.5%

Peer Undergraduate Enrollment (Fall 2019 - 2022)

	2019	2020	2021	2022	% Δ (2019-2022)
Belmont	6,563	6,330	6,792	7,100	8.2%
Wake Forest	5,240	5,367	5,391	5,389	2.8%
Samford	3,591	3,570	3,596	3,660	2.2%
Elon	6,079	6,073	6,125	6,144	1.1%
Creighton	4,325	4,330	4,366	4,184	-3.3%
Furman	2,614	2,294	2,282	2,260	-13.5%

Peer Undergraduate Housing Capture (Fall 2022)

Institution	Housing Req.	FTIC Capture	Institution	Undergrad. Capture
Wake Forest	Three-year	100%	Furman	96%
Elon	Two-year	99%	Wake Forest	75%
Furman	Four-year	99%	Elon	69%
Xavier	Two-year	98%	Peer Average	65%
Samford	Three-year	97%	Samford	59%
Peer Average		97%	Belmont	56%
Creighton	Two-year	95%	Creighton	52%
Belmont	Two-year	91%	Xavier	43%

APPENDIX

STUDENT SURVEY UNIT LAYOUTS

The following unit layouts and rental rates were tested in the student survey:

Existing Traditional 2x or 3x
\$3,800 - \$4,300



Existing Semi-Suite 2x or 3x
\$3,800 - \$4,300



Existing Full-Suite 2x
\$4,300 - \$4,600



Existing Apartment 1x
\$5,700 - \$5,900



New Semi-Suite 1x or 2x
\$5,000 - \$5,500



New Full-Suite 1x or 2x
\$6,100 - \$6,400



New Apartment Studio, 1BR, or 2BR
\$6,400 - \$6,800



APPENDIX

OFF-CAMPUS APARTMENTS (WITHIN 1.5 MILES)

Address	Year Built	Total Beds	Total Units	Rent + Utilities per Bed							
				Studio		1-BR		2-BR		3-BR	
				Rent	Beds	Rent	Beds	Rent	Beds	Rent	Beds
1 1638-1639 28th Ct	1967	36	18	-		-		\$432	36	-	
2 1600-1620 29th Ct	1957	88	44	-		-		\$678	88	-	
3 1601-1621 29th Ct S	1955	60	30	-		-		\$1,594	60	-	
4 741 Barcelona Ct	2004	180	113	\$670	6	\$960	52	\$620	86	\$442	36
5 1900 Courtney Dr	1956	24	12	-		-		\$642	24	-	
6 109 E Glenwood Dr	1940	30	15	-		-		\$718	30	-	
7 1509 Manhattan St	1925	4	4	-		\$1,047	4	-		-	
8 3450 Manor Dr	2010	486	274	-		\$1,696	102	\$952	264	\$779	120
9 2000 Molton Ct	1960	48	24	-		-		\$549	48	-	
10 807 Old Montgomery Hwy	1960	53	26	-		\$1,141	2	\$684	36	\$518	15
11 3335 Old Montgomery Hwy	1954	70	34	-		\$1,082	2	\$673	56	\$516	12
12 3341 Old Montgomery Hwy	1960	40	20	-		-		\$660	40	-	
13 912 Oxmoor Rd	1950	7	7	-		\$996	7	-		-	
14 917 Oxmoor Rd	1940	24	24	-		\$982	24	-		-	
15 1711 Oxmoor Rd	1940	15	10	-		\$924	5	\$537	10	-	
16 1840 Oxmoor Rd	2012	208	122	\$1,846	2	\$1,956	41	\$1,307	144	\$1,188	21
17 3001-3027 Parkridge Dr	2020	40	20	-		-		\$1,042	40	-	
18 1621 Valley Ave	1949	247	124	-		\$1,021	42	\$552	82	\$393	123
19 915 Valley Ridge Dr	2019	1,189	722	-		\$1,099	306	\$650	730	\$566	153
20 1903 Vestavia Ct	1960	83	50	-		\$1,355	30	\$847	14	\$669	39
21 1000 Wildforest Dr	1994	466	220	-		\$1,628	42	\$860	220	\$709	204
22 2912 Central Ave	1945	56	28	-		-		\$652	56	-	
23 TOTAL / WEIGHTED AVERAGE		3,454	1,941	\$964	8	\$1,267	659	\$785	2,064	\$628	723



RIETH JONES

ADVISORS

Atlanta . Charlotte . Columbus . Detroit . Raleigh . Sun Valley

riethjones.com

APPENDIX C

CASH FLOW PROJECTION

[THIS PAGE INTENTIONALLY LEFT BLANK]

The Educational Building Authority of the City of Homewood

Revenue Bonds

(CHF - Horizons II, L.L.C. Student Housing & Parking Project at Samford University)

Tax-Exempt Series 2024C and Taxable Series 2024D

Fiscal Year Ending June 30,	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Gross Academic Year Rental Revenue	\$6,662,969	\$6,862,858	\$7,068,744	\$7,280,806	\$7,499,230	\$7,724,207	\$7,955,934	\$8,194,612	\$8,440,450	\$8,693,663	\$8,954,473
LESS: Vacancies ¹	(326,711)	(336,513)	(346,608)	(357,006)	(367,716)	(378,748)	(390,110)	(401,814)	(413,868)	(426,284)	(439,073)
Net Academic Year Rental Revenue	6,336,258	6,526,346	6,722,136	6,923,800	7,131,514	7,345,460	7,565,823	7,792,798	8,026,582	8,267,379	8,515,401
New Facility Rental Allocation (NFRA)	0	8,166,808	10,734,821	10,597,258	10,450,361	10,304,129	10,151,315	9,996,663	9,832,873	9,664,430	9,488,639
Other Income	180,872	186,298	191,887	197,644	203,573	209,680	215,971	222,450	229,123	235,997	243,077
Debt Service Reserve Fund Earnings	69,653	417,918	417,918	417,918	417,918	417,918	417,918	417,918	417,918	417,918	417,918
Total Revenues	\$6,586,783	\$15,297,369	\$18,066,762	\$18,136,620	\$18,203,365	\$18,277,187	\$18,351,026	\$18,429,828	\$18,506,495	\$18,585,724	\$18,665,034
Res Life Staff and Cost	\$300,000	\$309,000	\$318,270	\$327,818	\$337,653	\$347,782	\$358,216	\$368,962	\$380,031	\$391,432	\$403,175
Maintenance Staff	300,000	309,000	318,270	327,818	337,653	347,782	358,216	368,962	380,031	391,432	403,175
Utilities	467,004	481,014	495,445	510,308	525,617	541,386	557,627	574,356	591,587	609,334	627,614
Pest Control	5,100	5,253	5,411	5,573	5,740	5,912	6,090	6,272	6,461	6,654	6,854
Elevator Maintenance/Inspection	6,465	6,659	6,859	7,064	7,276	7,495	7,720	7,951	8,190	8,435	8,688
Fire Safety System Testing	10,795	11,119	11,452	11,796	12,150	12,514	12,890	13,276	13,675	14,085	14,508
Trash Removal	37,500	38,625	39,784	40,977	42,207	43,473	44,777	46,120	47,504	48,929	50,397
Janitorial	76,000	78,280	80,628	83,047	85,539	88,105	90,748	93,470	96,275	99,163	102,138
Other - Supplies and Maintenance	109,000	112,270	115,638	119,107	122,680	126,361	130,152	134,056	138,078	142,220	146,487
Administrative Overhead	331,930	336,738	346,840	357,245	367,963	379,001	390,372	402,083	414,145	426,569	439,367
Management Fee (Samford)	200,000	206,000	212,180	218,545	225,102	231,855	238,810	245,975	253,354	260,955	268,783
JCI Q&M Contract	300,000	309,000	318,270	327,818	337,653	347,782	358,216	368,962	380,031	391,432	403,175
Deposit to Repair & Replacement Fund	150,000	154,500	159,135	163,909	168,826	173,891	179,108	184,481	190,016	195,716	201,587
Financing Expenses	45,000	46,350	47,741	49,173	50,648	52,167	53,732	55,344	57,005	58,715	60,476
Borrower's Fee	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Total Operating Expenses	\$2,588,794	\$2,653,808	\$2,725,922	\$2,800,200	\$2,876,706	\$2,955,507	\$3,036,672	\$3,120,272	\$3,206,380	\$3,295,072	\$3,386,424
Net Operating Income	\$3,997,989	\$12,643,561	\$15,340,840	\$15,336,420	\$15,326,660	\$15,321,680	\$15,314,354	\$15,309,556	\$15,300,115	\$15,290,652	\$15,278,610
Bond Debt Service ²	1,756,050	10,536,301	12,784,033	12,780,350	12,772,216	12,768,067	12,761,962	12,757,963	12,750,096	12,742,210	12,732,175
Fixed Charges Coverage Ratio	2.28	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20
Deposit to Operations Contingency Fund	664,739	18,067	18,609	19,167	19,742	20,335	20,945	21,573	22,220	22,887	23,574
Deposit to Surplus Fund ³	\$1,577,199	\$2,089,193	\$2,538,197	\$2,536,903	\$2,534,701	\$2,533,279	\$2,531,448	\$2,530,019	\$2,527,799	\$2,525,555	\$2,522,861

¹Vacancies calculated on full revenue beds only.

²Debt service is shown net of capitalized interest in FY25 and FY26.

³Monies in the Surplus Fund will be released to the University upon compliance with requirements in the Indenture.

The Educational Building Authority of the City of Homewood

Revenue Bonds

(CHF - Horizons II, L.L.C. Student Housing & Parking Project at Samford University)

Tax-Exempt Series 2024C and Taxable Series 2024D

Fiscal Year Ending June 30,	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046
Gross Academic Year Rental Revenue	\$9,223,108	\$9,499,801	\$9,784,795	\$10,078,339	\$10,380,689	\$10,692,109	\$11,012,873	\$11,343,259	\$11,683,557	\$12,034,063
LESS: Vacancies ¹	(452,245)	(465,812)	(479,786)	(494,180)	(509,005)	(524,276)	(540,004)	(556,204)	(572,890)	(590,077)
Net Academic Year Rental Revenue	8,770,863	9,033,989	9,305,008	9,584,159	9,871,683	10,167,834	10,472,869	10,787,055	11,110,667	11,443,987
New Facility Rental Allocation (NFRA)	9,309,637	9,121,176	8,932,394	8,729,527	8,524,967	8,310,481	8,094,899	7,886,342	7,722,178	7,490,712
Other Income	250,369	257,880	265,617	273,585	281,793	290,246	298,954	307,922	317,160	326,675
Debt Service Reserve Fund Earnings	417,918	417,918	417,918	417,918	417,918	417,918	417,918	417,918	417,918	417,918
Total Revenues	\$18,748,786	\$18,830,963	\$18,920,936	\$19,005,188	\$19,096,361	\$19,186,479	\$19,284,639	\$19,399,237	\$19,567,922	\$19,679,292
Res Life Staff and Cost	\$415,270	\$427,728	\$440,560	\$453,777	\$467,390	\$481,412	\$495,854	\$510,730	\$526,052	\$541,833
Maintenance Staff	415,270	427,728	440,560	453,777	467,390	481,412	495,854	510,730	526,052	541,833
Utilities	646,443	665,836	685,811	706,385	727,577	749,404	771,886	795,043	818,894	843,461
Pest Control	7,060	7,271	7,490	7,714	7,946	8,184	8,430	8,682	8,943	9,211
Elevator Maintenance/Inspection	8,949	9,218	9,494	9,779	10,072	10,374	10,686	11,006	11,336	11,677
Fire Safety System Testing	14,943	15,391	15,853	16,328	16,818	17,323	17,842	18,378	18,929	19,497
Trash Removal	51,909	53,466	55,070	56,722	58,424	60,176	61,982	63,841	65,756	67,729
Janitorial	105,202	108,358	111,609	114,957	118,406	121,958	125,616	129,385	133,266	137,264
Other - Supplies and Maintenance	150,881	155,408	160,070	164,872	169,818	174,913	180,160	185,565	191,132	196,866
Administrative Overhead	452,548	466,124	480,108	494,511	509,346	524,627	540,365	556,576	573,274	590,472
Management Fee (Samford)	276,847	285,152	293,707	302,518	311,593	320,941	330,570	340,487	350,701	361,222
JCI Q&M Contract	415,270	427,728	440,560	453,777	467,390	481,412	495,854	510,730	526,052	541,833
Deposit to Repair & Replacement Fund	207,635	213,864	220,280	226,888	233,695	240,706	247,927	255,365	263,026	270,917
Financing Expenses	62,291	64,159	66,084	68,067	70,109	72,212	74,378	76,609	78,908	81,275
Borrower's Fee	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Total Operating Expenses	\$3,480,517	\$3,577,432	\$3,677,255	\$3,780,073	\$3,885,975	\$3,995,054	\$4,107,406	\$4,223,128	\$4,342,322	\$4,465,092
Net Operating Income	\$15,268,270	\$15,253,531	\$15,243,681	\$15,225,115	\$15,210,386	\$15,191,425	\$15,177,233	\$15,176,109	\$15,225,600	\$15,214,200
Bond Debt Service ²	12,723,558	12,711,276	12,703,068	12,687,596	12,675,322	12,659,521	12,647,695	12,646,758	12,688,000	12,678,500
Fixed Charges Coverage Ratio	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20
Deposit to Operations Contingency Fund	24,281	25,009	25,759	26,532	27,328	28,148	28,993	29,862	30,758	31,681
Deposit to Surplus Fund ³	\$2,520,431	\$2,517,246	\$2,514,854	\$2,510,987	\$2,507,736	\$2,503,756	\$2,500,546	\$2,499,489	\$2,506,842	\$2,504,019

¹Vacancies calculated on full revenue beds only.

²Debt service is shown net of capitalized interest in FY25 and FY26.

³Monies in the Surplus Fund will be released to the University upon compliance with requirements in the Indenture.

The Educational Building Authority of the City of Homewood

Revenue Bonds

(CHF - Horizons II, L.L.C. Student Housing & Parking Project at Samford University)

Tax-Exempt Series 2024C and Taxable Series 2024D

Fiscal Year Ending June 30,	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056
Gross Academic Year Rental Revenue	\$12,395,085	\$12,766,938	\$13,149,946	\$13,544,444	\$13,950,778	\$14,369,301	\$14,800,380	\$15,244,391	\$15,701,723	\$16,172,775
LESS: Vacancies ¹	(607,779)	(626,012)	(644,793)	(664,137)	(684,061)	(704,583)	(725,720)	(747,492)	(769,916)	(793,014)
Net Academic Year Rental Revenue	11,787,306	12,140,925	12,505,153	12,880,308	13,266,717	13,664,718	14,074,660	14,496,900	14,931,807	15,379,761
New Facility Rental Allocation (NFRA)	7,249,795	7,010,028	6,758,007	6,492,622	6,224,456	5,951,787	5,667,034	5,368,762	5,067,227	4,754,528
Other Income	336,475	346,569	356,967	367,676	378,706	390,067	401,769	413,822	426,237	439,024
Debt Service Reserve Fund Earnings	417,918	417,918	417,918	417,918	417,918	417,918	417,918	417,918	417,918	417,918
Total Revenues	\$19,791,494	\$19,915,441	\$20,038,044	\$20,158,523	\$20,287,796	\$20,424,490	\$20,561,381	\$20,697,402	\$20,843,188	\$20,991,231
Res Life Staff and Cost	\$558,088	\$574,831	\$592,076	\$609,838	\$628,133	\$646,977	\$666,387	\$686,378	\$706,970	\$728,179
Maintenance Staff	558,088	574,831	592,076	609,838	628,133	646,977	666,387	686,378	706,970	728,179
Utilities	868,765	894,828	921,673	949,323	977,803	1,007,137	1,037,351	1,068,471	1,100,526	1,133,541
Pest Control	9,488	9,772	10,065	10,367	10,678	10,999	11,329	11,668	12,018	12,379
Elevator Maintenance/Inspection	12,027	12,388	12,759	13,142	13,536	13,942	14,361	14,791	15,235	15,692
Fire Safety System Testing	20,082	20,684	21,305	21,944	22,602	23,280	23,979	24,698	25,439	26,202
Trash Removal	69,761	71,854	74,009	76,230	78,517	80,872	83,298	85,797	88,371	91,022
Janitorial	141,382	145,624	149,993	154,492	159,127	163,901	168,818	173,883	179,099	184,472
Other - Supplies and Maintenance	202,772	208,855	215,121	221,575	228,222	235,068	242,121	249,384	256,866	264,572
Administrative Overhead	608,186	626,432	645,225	664,581	684,519	705,054	726,206	747,992	770,432	793,545
Management Fee (Samford)	372,059	383,221	394,717	406,559	418,756	431,318	444,258	457,586	471,313	485,452
JCI Q&M Contract	558,088	574,831	592,076	609,838	628,133	646,977	666,387	686,378	706,970	728,179
Deposit to Repair & Replacement Fund	279,044	287,416	296,038	304,919	314,067	323,489	333,193	343,189	353,485	364,089
Financing Expenses	83,713	86,225	88,811	91,476	94,220	97,047	99,958	102,957	106,045	109,227
Borrower's Fee	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Total Operating Expenses	\$4,591,544	\$4,721,791	\$4,855,944	\$4,994,123	\$5,136,446	\$5,283,040	\$5,434,031	\$5,589,552	\$5,749,738	\$5,914,731
Net Operating Income	\$15,199,950	\$15,193,650	\$15,182,100	\$15,164,400	\$15,151,350	\$15,141,450	\$15,127,350	\$15,107,850	\$15,093,450	\$15,076,500
Bond Debt Service ²	12,666,625	12,661,375	12,651,750	12,637,000	12,626,125	12,617,875	12,606,125	12,589,875	12,577,875	12,563,750
Fixed Charges Coverage Ratio	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20
Deposit to Operations Contingency Fund	32,631	33,610	34,619	35,657	36,727	37,829	38,964	40,132	41,336	0
Deposit to Surplus Fund ³	\$2,500,694	\$2,498,665	\$2,495,731	\$2,491,743	\$2,488,498	\$2,485,746	\$2,482,261	\$2,477,843	\$2,474,239	\$2,512,750

¹Vacancies calculated on full revenue beds only.

²Debt service is shown net of capitalized interest in FY25 and FY26.

³Monies in the Surplus Fund will be released to the University upon compliance with requirements in the Indenture.

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX D-1
FORM OF THE TRUST INDENTURE AS SUPPLEMENTED

[THIS PAGE INTENTIONALLY LEFT BLANK]

TRUST INDENTURE

[Month] 1, 2024

by

THE EDUCATIONAL BUILDING AUTHORITY OF THE CITY OF HOMEWOOD

and

REGIONS BANK
as Trustee

Revenue Bonds

(CHF - Horizons II, L.L.C. Student Housing/ Parking Project at Samford University)

Samford University has agreed and consented, by endorsement hereon, to the terms and provisions, and delivery and performance, of this Trust Indenture by the Authority and the Trustee.

This Trust Indenture was prepared by Heyward C. Hosch, Barry A. Staples and Ann W. Todd of Maynard Nexsen P.C., 1901 6th Avenue North, Suite 1700, Birmingham, Alabama 35203.

TRUST INDENTURE

[Month] 1, 2024

This Trust Indenture is made and entered as of the above date by the undersigned who are identified herein as follows:

Authority: The Educational Building Authority of the City of Homewood

Trustee: Regions Bank, as trustee

Recitals

The Authority and the Trustee have delivered this Trust Indenture to provide for the authorization, execution and delivery from time to time of the within Bonds as limited obligations of the Authority secured by the within Trust Estate on the terms of this Trust Indenture.

Agreement

Now therefore, in consideration of the respective agreements herein contained, it is hereby agreed among the Authority, the Trustee and the Owners of all Bonds that may at any time be issued hereunder (the Owners of said Bonds evidencing their consent hereto by their acceptance of said Bonds) each with each of the others, as follows:

ARTICLE 1

Definitions

Section 1.01 Incorporation of Defined Terms from Lease Agreement

The Authority and the Trustee incorporate and use herein, without definition, certain capitalized terms as such terms are defined in the Lease Agreement.

Section 1.02 Defined Terms

1988 Bond Documents means and includes the following as at any time amended, restated or supplemented:(i) the Restated Trust Indenture dated June 30, 2023 by the Authority and the Bank of New York Mellon Trust Company, National Association, as trustee; and (ii) the Restated Lease Agreement dated June 30, 2023 by the Authority and the University.

2024-A/B Bond Documents means and includes the following as at any time amended, restated or supplemented (i) the Trust Indenture (Series 2024-A/B Bonds) dated [Month] 1, 2024 by the Authority and Regions Bank, as trustee; and (ii) the Bond Lease Agreement (CHF - Horizons I, L.L.C. Recreation/Wellness/Athletic Center Project at Samford University) dated [Month] 1, 2024 by the Authority and CHF - Horizons I, L.L.C.; and(iii) Facility Lease Agreement dated _____ 1, 2024, by CHF - Horizons I, L.L.C. and the University.

2024-C/D Bond Documents means and includes the following as at any time amended, restated or supplemented (i) this Indenture, and (ii) the Lease Agreement, and (iii) the Affiliation Agreement.

Accountant means an independent certified public accountant or firm of independent certified public accountants (which may be the accountant or firm of accountants retained by the Borrower)

Accounts means, collectively, all of the accounts and subaccounts within the Indenture Funds, or the Rebate Fund, created pursuant hereto (each an "Account".)

Act, when used with respect to any Owner, shall have the meaning assigned in Section 11.05.

Additional Bonds means, collectively, all Bonds issued pursuant to this Indenture subsequent to the issuance of the Series 2024 Bonds.

Additional Lease Payments shall have the meaning assigned in the Lease Agreement.

Affiliate means any Person (i) directly or indirectly controlling, controlled by, or under common control with the Borrower or (ii) a majority of the members of the within-referenced Directing Body of which are members of the Directing Body of the Borrower. For purposes of this definition, control means for: (a) a corporation having stock, the ownership, directly or indirectly, of more than fifty percent (50%) of the securities (as defined in §2(1) of the Securities Act) of any class or classes, the holders of which are ordinarily, in the absence of contingencies, entitled to elect a majority of the directors of such corporation; (b) a non-profit corporation not having stock, having the power to elect or appoint, directly or indirectly, a majority of the members of the Directing Body of such corporation; or (c) any other entity, the power to direct the management of such entity through the ownership of at least a majority of its voting securities or the right to designate or elect at least a majority of the members of its Directing Body, by contract or otherwise. For the purposes of this definition, "Directing Body" means for: (x) a corporation having stock, such corporation's board of directors and owners, directly or indirectly, of more than fifty percent (50%) of the securities (as defined in §2(1) of the Securities Act) of any class or classes, the holders of which are ordinarily, in the absence of contingencies, entitled to elect a majority of the directors of such corporation (both of which groups will be considered a Directing Body); (y) a non-profit corporation not having stock, such corporation's members if the members have complete discretion to elect the corporation's directors, or the corporation's directors if the corporation's members do not have such discretion; or (z) any other entity, its governing body or board. For the purposes of this definition, all references to directors and members will be deemed to include all entities performing the function of directors or members however denominated, and individuals who are members of a Directing Body are not deemed to be an Affiliate.

Affiliation Agreement means that certain Affiliation Agreement dated [Month] 1, 2024, as at any time amended, restated or supplemented, by the Borrower and the University.

Annual Debt Service means the amount required to pay all principal of and interest on a series of Bonds in any Bond Year.

Annual Period means the 12-month period commencing on (and including) July 1 of each calendar year and ending on (and including) June 30 of the immediately succeeding calendar year.

Applicable Law means (i) the applicable provisions of all constitutions, statutes, rules, regulations, orders, judgments and decrees of any Governmental Authority and (ii) all laws and rules of law which provide legal or equitable rights and remedies for creditors.

Architect Agreement shall have the meaning set forth in the Supplemental Indenture for each series of Bonds.

Architect Consent and Agreement to Perform shall have the meaning set forth in the Supplemental Indenture for each series of Bonds.

Audit Report means an unqualified audit report resulting from an audit conducted by an Accountant in conformity with generally accepted auditing standards prepared in accordance with GAAP.

Authority means The Educational Building Authority of the City of Homewood, and its successors and assigns.

Authority Additional Payments means, collectively (and each, an "Authority Additional Payment"):

- (a) all taxes and assessments of any type or character charged to the Authority or to the Trustee affecting the amount available to the Authority or to the Trustee from payments to be received under the Lease Agreement or in any way arising due to the transactions contemplated hereby or by the Lease Agreement (including taxes and assessments assessed or levied by any Governmental Authority provided, however, the Borrower will have the right to protest any such taxes or assessments and to require the Authority, at the Borrower's expense, to protest and contest any such taxes or assessments levied on them and that the Borrower will have the right to withhold payment of any such taxes or assessments pending disposition of any such protest or contest unless such withholding, protest, or contest would adversely affect the rights or interests of the Authority or the Trustee;
- (b) the fees and expenses of such accountants, consultants, attorneys, rebate analysts, and other experts as may be engaged by the Authority to prepare any audits, financial statements, reports, and/or opinions or to provide such other services required to be provided by the Authority under the Lease Agreement, this Indenture, or any of the other Bond Documents, including, but not limited to, any audit or inquiry by the IRS or any other Governmental Authority

Authority Documents means collectively, this Indenture, the Lease Agreement, the Tax Agreement, and the Bond Purchase Agreement.

Authority Indemnified Person means each of the Authority's past, present, and future directors, board members, governing members, trustees, commissioners, elected or appointed officials, officers, employees, Authorized Signatories, attorneys (other than attorneys who render a legal opinion to the Authority), agents, and advisers (including financial advisers), and each and all of their respective heirs, successors, and assigns.

Authority Pledged Property shall have the meaning assigned in Section 3.03.

Authorized Borrower Representative means any person at the time designated to act on behalf of the Borrower by written certificate furnished to the Authority and the Trustee, containing the specimen signature of such person and signed on behalf of the Borrower by the Chief Executive Officer or President of the Borrower. Such certificate or any subsequent or supplemental certificate so executed may designate an alternate or alternates.

Authorized Denominations means, for each series of Bonds, the authorized denomination established therefor in the Supplemental Indenture for such series of Bonds.

Authorized Developer Representative means any Person at the time designated to act on behalf of the Developer by written certificate furnished to the Borrower, the Authority, and the Trustee, containing the specimen signature of such person and signed on behalf of the Developer by its President. Such certificate or any subsequent or supplemental certificate so executed may designate an alternate or alternates.

Authorized Manager Representative means any Person at the time designated to act on behalf of the Manager by written certificate furnished to the Authority and the Trustee, containing the specimen signature of such person and signed on behalf of the Manager. Such certificate or any subsequent or supplemental certificate so executed may designate an alternate or alternates.

Authorized Signatory means any officer designated by resolution of the Authority (whether such resolution is adopted in connection with the issuance of Bonds or otherwise) as an 'Authorized Signatory' empowered to, among other things, execute and deliver on behalf of the Authority, the Authority Documents and the Bonds (collectively, the "Authorized Signatories").

Authorized University Representative means the President of the University, the Vice-President for Finance, Business Affairs and Strategy of the University, and any officer of the University designated to act as "Authorized University Representative", for purposes of the Bond Documents, by written certificate delivered to the Trustee by the Vice-President for Finance, Business Affairs and Strategy of the University.

Authorizing Act means Chapter 17 of Title 16 of the Code of Alabama 1975.

Basic Lease Payments shall have the meaning assigned in the Lease Agreement.

Beneficial Owners if the Bonds are not held under the Book-Entry System, means, collectively, the Owners and, if the Bonds are held under a Book-Entry System, means, collectively, the Persons in whose names Bonds are recorded as beneficial owners of such Bonds with the Securities Depository (and while DTC is the Securities Depository, in the name of its nominee, Cede & Co.) or a Participant or an Indirect Participant, as the case may be, as established in writing by letter of such persons or entities to the Trustee (each, a "Beneficial Owner").

Bond Counsel means Maynard Nexsen PC or other Independent Counsel nationally recognized as experienced in matters relating to Tax-Exempt Bonds and the issuance of obligations by states and their political subdivisions and reasonably acceptable to the Authority, the Borrower, and the Trustee.

Bond Documents means collectively the Bonds, the Security Documents, the Tax Agreement, the Architect Agreement, the Project Acquisition Contracts , the Development Agreement, the Developer Indemnity Letter, the Management Agreement and any document specified in a Supplemental Indenture as a "Bond Document".

Bond Fund means the Indenture Fund of that name created in Section 6.04.

Bond Fund Account Requirement means, on each Revenue Fund Distribution Date for each series of Bonds, an amount equal to the Debt Service scheduled to become due and payable on such series of Bonds during the Bond Year in which such date occurs.

Bond Payment Dates means, collectively, each Stated Interest Payment Date and each Stated Principal Payment Date and all dates on which Debt Service will be payable on or in respect of any of the Bonds according to their terms and the terms of this Indenture, including without limitation, scheduled mandatory sinking fund redemption dates, dates of acceleration of the Bonds, optional redemption dates, extraordinary optional redemption dates, and stated maturity dates, so long as any Bonds are Outstanding (each a "Bond Payment Date").

Bond Purchase Agreement shall have the meaning set forth in the Supplemental Indenture for each series of Bonds.

Bond Register means the books for the registration of the Bonds and for the registration of the transfer of the Bonds kept and maintained by the Trustee as bond registrar.

Bond Year means the 12-month period beginning on October 1 of each calendar year and ending on September 30 of the immediately succeeding calendar year.

Bonds means, collectively, on any date of determination, all Bonds issued and Outstanding under this Indenture.

Book-Entry System means the system of evidence and transfer of ownership of the Bonds maintained by the Securities Depository described in Section 213.

Borrower means CHF - Horizons II, L.L.C., an Alabama limited liability company, and its successors and assigns.

Borrower Security Agreement shall have the meaning set forth in the Supplemental Indenture for each series of Bonds.

Borrower Documents means collectively the Lease Agreement, the Affiliation Agreement, the Tax Agreement, the Leasehold Mortgage, the Borrower Security Agreement, the Bond Purchase Agreement, the Management Agreement, and the Borrower Financing Statements, and for any series of Additional Bonds, has the meaning set forth in a Supplemental Indenture relating to that series of Additional Bonds.

Borrower Financing Statements means the UCC-1 financing statements filed by the Borrower with respect to security interests in property of the Borrower created for the benefit of any series of Bonds.

Business Day means any day other than a Saturday, a Sunday, or a day on which banking institutions or trust companies in the State of Alabama, the State of New York, or in the state where the Office of the Trustee is located are authorized or obligated by law, regulation or executive order to close or a day on which the payment system of the Federal Reserve System is not operational.

Calculation Date means the last day of each Bond Year, commencing with the last day of the second Bond Year, and the date on which a series of Bonds are Discharged.

Capital Expenditures shall have the meaning assigned in Section 1.150-1(b) of the Treasury Regulations.

Closing Date means, for any series of Bonds, the date of delivery thereof and payment therefor.

Completion Date means, with respect to any part of the Project, the date on which such part of the Project was placed in service for the purpose thereof.

Condemnation Fund means the Indenture Fund of that name created in Section 6.08.

Construction Agreement shall have the meaning set forth in the Supplemental Indenture for each series of Bonds.

Construction Costs means all Costs of the Project that are properly payable to the appropriate contractors under the applicable Project Acquisition Contracts.

Contractor Consent and Agreement to Perform shall have the meaning set forth in the Supplemental Indenture for each series of Bonds.

Costs of the Project means:

- (a) the cost of acquiring property and interests in property that are or will become part of the Project;
 - (b) the cost of labor, materials, machinery, furniture, fixtures, and equipment as payable to contractors, builders and materialmen in connection with the construction, renovation and equipping of the Project;
 - (c) governmental charges levied or assessed during construction of the Project, or on any property acquired therefor, and premiums on insurance in connection with the Project during construction;
 - (d) expenses necessary or incident to determining the feasibility or practicability of undertaking the Project (excluding, however, the expense of determining the feasibility of the issuance of Bonds to finance or refinance the Project), the fees and expenses of architects, engineers and management consultants for making studies, surveys and estimates of costs and of revenues and other estimates, and fees and expenses of architects and engineers for preparation of plans, drawings and specifications and for administration of the construction contract or contracts for the Project, as well as for the performance of all other duties of architects and engineers in relation to the acquisition, construction, renovation and equipping of the Project (but not the issuance of the Bonds);
 - (e) expenses of administration, supervision and inspection properly chargeable to the Project, fees and costs of development and marketing of the Project, legal expenses and fees of the Borrower in connection with the acquisition, construction, renovation or equipping of the Project (but not the issuance of the Bonds), cost of abstracts and reports on titles to real estate and owners title insurance premiums, cost of managing investments of moneys deposited in the Indenture Funds created hereunder and all other items of expense, not elsewhere specified in this section incident to the construction, renovation and placing in operation of the Project;
 - (f) interest on the Bonds and interest on obligations of the Borrower incurred to finance the Cost of the Project prior to, during and for up to one year after the completion of the Project (or any component thereof);
 - (g) bond insurance premiums, if any, and related fees and expenses;
 - (h) working capital in connection with the construction and operation of the Project;
 - (i) Issuance Costs for any series of Bonds in an aggregate amount not exceeding 2% of the proceeds thereof;
 - (j) any other cost relating to the Project that is set forth in or permitted by the Authorizing Act; and
 - (k) reimbursement to the Borrower and the University for any of such costs paid by it whether before or after the execution of this Indenture; provided, however, that reimbursement to any expenditures made prior to the execution of this Indenture shall only be permitted for expenditures meeting the requirements of applicable Treasury Regulations, including but not limited to 26 CFR Section 1.150-2 or any successor Treasury Regulations.
- Covered Parity Debt Documents** means and includes all contractual agreements pursuant to which the University shall have assumed or incurred any Covered Parity Debt, including without limitation (i) the 1988 Bond Documents, (ii) the 2024-A/B Bond Documents, and (iii) the 2024-C/D Bond Documents.
- Debt Service** means, for any Bond on any date of determination or for any period, the principal of, premium (if any) and interest payable on such Bond.
- Debt Service Reserve Fund** means the Indenture Fund of that name created in Section 6.05.

Debt Service Reserve Requirement means, for any series of Bonds on any date of determination, the amount established for the Account in the Debt Service Reserve Fund for such Bonds in the Supplemental Indenture which created such series of Bonds.

Default Rate means the prime rate charged corporate borrowers by the commercial lending department of the Trustee, if any, or in the absence of such commercial lending department or rate, the rate designated the "Prime Rate" as published each Business Day in *The Wall Street Journal*, plus 2% per annum.

Defeasance Fund means an independent and irrevocable Account or Fund established by the Authority pursuant to Section 5.01 for the benefit of any Bond or any portion of the principal amount thereof.

Defeasance Obligations means (i) cash deposits of U.S. Currency (insured at all times by the Federal Deposit Insurance Corporation or otherwise collateralized with obligations described in item (ii) below), (ii) to the extent the same are non-callable and non-pre-payable, U. S. Government Obligations , (iii) evidences of ownership of a proportionate interest in specified U. S. Government Obligations , which U. S. Government Obligations are held by a bank or trust company organized and existing under the laws of the United States of America or any state thereof in the capacity of custodian, and (iv) Defeased Municipal Obligations .

Defeased Municipal Obligations means obligations of state or local government municipal bond issuers that are rated in the highest rating category by S&P and Moody's, respectively, provision for the payment of the principal of and interest on which will have been made by deposit with a trustee or escrow agent of (i) non-callable U. S. Government Obligations or (ii) evidences of ownership of a proportionate interest in specified non-callable U. S. Government Obligations , which U. S. Government Obligations are held by a bank or trust company organized and existing under the laws of the United States of America or any state thereof in the capacity of custodian, the maturing principal of and interest on such U. S. Government Obligations or evidences of ownership, when due and payable, will provide sufficient money to pay the principal of, redemption premium, if any, and interest on such obligations of state or local government municipal bond issuer.

Developer means Landmark Development Services Company, LLC, a limited liability company organized under the laws of the State of Wisconsin, and its successors and assigns.

Developer Consent and Agreement to Perform shall have the meaning set forth in the Supplemental Indenture for each series of Bonds.

Development Agreement shall have the meaning set forth in the Supplemental Indenture for each series of Bonds.

Direct Participant means brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations on whose behalf DTC was created to hold securities to facilitate the clearance and settlement of securities transactions among such brokers, dealers, banks, trust companies, clearing corporations, and other organizations.

Discharged means, on any date of determination for any Bond, that on such date interest on such Bond shall have ceased to accrue as provided in Section 4.04.

Dissemination Agent means the Trustee and any successor as dissemination agent appointed by the Borrower

DTC means The Depository Trust Company, New York, New York, or any successor Securities Depository.

Electronic Means includes and means facsimile transmission, email transmission, or other similar electronic means of communication providing evidence of transmission, including a telephone communication confirmed by another method set forth in this definition; provided, that for purposes of this Indenture or the Lease Agreement, an email does not constitute a notice, request or other communication hereunder but rather the portable document format or similar attachment attached to such email shall constitute notice, request or other communication.

Equipment has the meaning as described in the Lease Agreement, which, by this reference thereto, is incorporated herein, and all replacements, substitutions and additions thereto.

Event of Default means, for this Indenture, each of the events specified in Section 7.01.

Exchange Act means the Securities Exchange Act of 1934, as amended.

Expenses for the Project, means, for any period, the aggregate of all expenses and expenditures relating thereto, including, without limitation, expenses or expenditures relating to the performance of any obligation of the Borrower under the Bond Documents or to the enforcement of the obligations of other parties to documents executed in connection with the Bond Documents; Membership Fee; Management Fees required to be paid to the Manager under the Management Agreement; expenses incurred by the Borrower in connection with the inspection of the Project or the calculation, collection, and payment of the Rebate Amount relating to any Tax-Exempt Bonds as required by federal law; but excluding (i) any expense or expenditure paid with the proceeds of the Bonds or the Net Proceeds of insurance other than business interruption, business income or loss of rents insurance, (ii) interest on any Indebtedness to the extent that such interest is payable from the proceeds of such Indebtedness, (iii) any expenses resulting from forgiveness of or the establishment of reserves against Indebtedness of an Affiliate that do not constitute extraordinary expense, (iv) losses resulting from any reappraisal, revaluation, or write-down of assets, (v) any unrealized loss resulting from changes in the value of investment securities, and (vi) any expenses expressly borne by the University under the Management Agreement.

Extraordinary Services of the Trustee and Extraordinary Expenses of the Trustee mean all services rendered and all reasonable expenses incurred by the Trustee under the Bond Documents, including, without limitation, reasonable counsel fees and expenses, other than Ordinary Services of the Trustee and Ordinary Expenses of the Trustee.

Favorable Opinion of Bond Counsel means an opinion of Bond Counsel or Tax Counsel, addressed to the Authority, the Borrower, and the Trustee to the effect that the action proposed to be taken is authorized or permitted by the Authorizing Act, this Indenture, and the Lease Agreement and will not adversely affect any exclusion from gross income for federal income tax purposes of interest on any Tax-Exempt Bonds.

Federal Tax Code means the Internal Revenue Code of 1986, as amended. Reference herein to any specific provision of the Federal Tax Code will be deemed to include a reference to any successor provision or provisions to such provision and to any Treasury Regulations issued or proposed under or with respect to such provision or under or with respect to any predecessor provision of the Internal Revenue Code of 1954, as amended, to the extent any of the foregoing is applicable to the Bonds.

Financial Consultant means a firm of Accountants and/or professional management, marketing, or financial consultants having the skill and experience necessary to render the particular report required that is designated as such in writing by the Borrower. Such firm(s) will not be, and no member, stockholder, director, officer, or employee of which will be, an officer or employee of the Authority, the Borrower, the Developer or the University. The reports of the Financial Consultant showing projected financial performances may be in the form of a projection of the management of the Borrower that is accompanied by a statement of a Financial Consultant to the effect that such Financial Consultant has reviewed the underlying assumptions and procedures used by management and that such assumptions provide a reasonable basis for the projection of management.

Fixed Charges means, for any period, the sum of all cash outflows related to the Project that the Borrower cannot avoid without violating long-term contractual or legal obligations (those obligations that extend for a period greater than one year), including, but not limited to, (i) interest on Indebtedness other than Short-Term Indebtedness and (ii) scheduled payments of principal on Indebtedness other than Short-Term Indebtedness (each, a "Fixed Charge"). "Fixed Charges" do not include any amounts payable in respect of any Indebtedness to the extent that such amounts are payable from the proceeds of such Indebtedness or any expenses expressly borne by the University under the Management Agreement.

Fixed Charges Coverage Ratio means, for any period, the ratio of Revenue Available for Fixed Charges to Fixed Charges.

Fitch means Fitch Ratings, Inc., its successors and assigns, and if such corporation for any reason no longer performs the functions of a securities rating agency, "Fitch" is deemed to refer to any other nationally recognized securities rating agency designated by the Borrower. Whenever rating categories of Fitch are specified in this Indenture, such categories will be irrespective of gradations within a category.

Foundation means Collegiate Housing Foundation and the successors and assigns thereof.

GAAP means those principles of accounting set forth in pronouncements of the Financial Accounting Standards Board and its predecessors or pronouncements of the American Institute of Certified Public Accountants or those principles of accounting that have other substantial authoritative support and are applicable in the circumstances as of the date of application, as such principles are from time to time supplemented and amended.

Governing Law means (i) the Constitution of Alabama of 2022, (ii) the general laws of the State of Alabama, and (iii) the Authorizing Act.

Governmental Authority means (i) the United States of America, (ii) the State of Alabama and any political subdivision (within the meaning of 26 CFR Section 1.103-1) thereof other than the Authority, and (iii) any agency, authority, board, bureau, commission, court, department, division, instrumentality, tribunal thereof or other organization of competent jurisdiction established by the United States of America or the State of Alabama.

Ground Lease means the Ground Lease Agreement (CHF - Horizons II, L.L.C. Student Housing/Parking Project at Samford University), dated [Month] 1, 2024, as at any time amended, restated or supplemented, by the University, as lessor, and the Authority, as lessee.

Indebtedness means, but only to the extent incurred in connection with the Project or secured by a Lien on the Project or the Pledged Revenues, (i) all indebtedness, whether or not represented by bonds, debentures, notes, or other securities, for the repayment of money borrowed, (ii) all deferred indebtedness for the payment of the purchase price of properties or assets purchased, (iii) all guaranties, endorsements (other than endorsements in the ordinary course of business), assumptions, and other contingent obligations in respect of, or to purchase or to otherwise acquire, indebtedness of others, (iv) all indebtedness secured by mortgage, pledge, security interest, or Lien existing on property owned that is subject to such mortgage, pledge, security interest, or Lien, whether or not the indebtedness secured thereby has been assumed, (v) swap or hedging obligations or other similar derivative or investment agreements that, under certain circumstances, require a payment on termination and (vi) all financing lease obligations; provided, however, that for the purpose of computing Indebtedness, there will be excluded any particular Indebtedness if, on or prior to the maturity thereof, there is irrevocably deposited with the proper depository in trust the necessary funds (or direct, nonredeemable obligations of the United States of America) for the payment, redemption, or satisfaction of such Indebtedness, and thereafter such funds and such direct obligations of the United States of America so deposited will not be included in any computation of the assets of the Borrower and the income derived from such funds and such direct obligations of the United States of America so deposited will not be included in any computation of the income of the Borrower.

Indenture means this Indenture, as at any time amended or supplemented by a Supplemental Indenture, and as at any time restated.

Indenture Funds means collectively all of the funds created pursuant to Article 6 of this Indenture and pursuant to any Supplemental Indenture (each, an "Indenture Fund"), less and except the Rebate Fund.

Independent Counsel means an attorney or firm of attorneys duly admitted to practice law before the highest court of any state of the United States or the District of Columbia and not in the full-time employment of the Authority or the Borrower.

Independent Engineer means any architect, engineer, or firm of architects or engineers that is independent of the Authority, the Borrower, the Developer and the University and that is selected by the Borrower and is reasonably acceptable to the University, at the expense of the Borrower, to report and be accountable solely to the Trustee for the benefit of the Owners and that has all licenses and certifications necessary for the performance of such services, and that has a favorable reputation for skill and experience in performing similar services in respect of facilities of a comparable size and nature.

Indirect Participants means those broker-dealers, banks, and other financial institutions from time to time for which the Securities Depository holds Bonds as a securities depository through a Participant (each an "Indirect Participant").

Insurance Fund means the Indenture Fund of that name created in Section 6.08.

Irrevocable Deposit means the irrevocable deposit with the Trustee in trust of Defeasance Obligations in a Defeasance Fund in accordance with the provisions of Section 5.01.

IRS means the United States Internal Revenue Service or any successor agency or department.

Issuance Costs shall have the meaning assigned in 26 CFR Section 1.150-1(b).

Leasehold Mortgage means the Leasehold Mortgage, Assignment of Leases, Security Agreement and Fixture Filing dated [Month] 1, 2024, as at any time amended, restated or supplemented, by the Borrower and the Authority in favor of Trustee.

Lease Agreement means the Bond Lease Agreement (CHF - Horizons II, L.L.C. Student Housing/Parking Project at Samford University), dated [Month] 1, 2024, as at any time amended, restated or supplemented, by the Authority, as lessor and the Borrower, as lessee.

Lease Payments means collectively the Basic Lease Payments and the Additional Lease Payments.

Lien means any mortgage, chattel mortgage, lien, pledge, charge, security interest or encumbrance of any kind.

Majority of the Owners means the Owners of more than 50% in aggregate principal amount of the Bonds then Outstanding.

Management Agreement means collectively (i) the Management Agreement dated [Month] 1, 2024, between the Borrower and the University, as at any time amended, restated or supplemented, respect to the Project, and (ii) any management or similar agreement between the Borrower and any successor Manager relating to the management of the Project as at any time amended, restated, or supplemented.

Manager means, initially, the University, and thereafter, any other management company employed by the Borrower to manage the Project with the prior written consent of the University.

Maximum Annual Debt Service means, on any date of determination for any series of Bonds, the maximum Annual Debt Service thereon in the then current Bond Year or in any future Bond Year, whether at maturity or by mandatory redemption.

Membership Fee means the annual membership fee described in the Affiliation Agreement.

Moody's means Moody's Investors Service, Inc., its successors and assigns, and if such corporation for any reason no longer performs the functions of a securities rating agency, "Moody's" is deemed to refer to any other nationally recognized securities rating agency designated by the Borrower. Whenever rating categories of Moody's are specified in this Indenture, such categories will be irrespective of gradations within a category.

Net Proceeds when used for any insurance or condemnation award, for the sale or other disposition of a portion of the Project, or for any other recovery on a contractual claim or claim for damage to or for taking of property, means the gross proceeds from the insurance or condemnation award, sale, or other disposition, or recovery remaining after payment of (i) all reasonable expenses (including reasonable attorneys' fees and any Extraordinary Expenses of the Trustee) incurred in the collection of such gross proceeds, and (ii) solely with respect to the builder's risk policy procured by contractor under the Construction Agreement and absent an event of default by contractor under the Construction Agreement, payments to the contractor from available builder's risk insurance proceeds for Costs of the Project which have already been paid by contractor under the Construction Agreement and for which contractor has not been reimbursed under a prior draw request made by Borrower.

NFRA Payments shall have the meaning assigned in the Affiliation Agreement.

Non-Construction Costs means all Costs of the project other than costs and fees that are properly payable to the appropriate contractors under the Project Acquisition Contracts.

Office of the Trustee means the designated trust office of the Trustee for the performance of this Indenture, as advised to the Authority and the Borrower in writing.

Operating Account means the Account established by the Manager, in the name of the Borrower, from which the Manager shall pay Expenses.

Operations Contingency Fund means the Indenture Fund of that name created in Section 6.09.

Operation and Management Agreement means the Operation and Management Agreement, effective as of the Closing Date, as at any time amended, restated or supplemented, by the University and Johnson Controls, Inc., with respect to the Project.

Opinion of Counsel means an opinion in writing of Independent Counsel who or that is reasonably acceptable to all recipients thereof and who or that may be counsel to the Authority, the Trustee, or the Borrower.

Ordinary Services of the Trustee and **Ordinary Expenses of the Trustee** mean those reasonable services rendered and those reasonable expenses incurred by the Trustee as Trustee, Dissemination Agent, paying agent, and registrar, as applicable, in the performance of its duties hereunder and under the other Bond Documents of the type ordinarily performed by corporate trustees under like indentures, including, without limitation, reasonable fees and expenses of independent appraisers, accountants, consultants, counsel, agents, and attorneys or other experts employed by the Trustee in the exercise and performance of its powers and duties hereunder.

Outstanding Bonds or Bonds Outstanding or Outstanding means, on any date of determination for any Bond, that on such date such Bond shall have been duly authenticated and delivered by the Trustee under this Indenture, except:

- (i) a Bond which is not subject to the accrual of interest under Section 4.04; or
- (ii) a Bond for which is payable solely from a Defeasance Fund.

Outstanding Principal Amount means, with respect to any Bond on any date of determination, the principal amount of such Bond which on such date shall not have been discharged and shall be payable by the Authority in accordance with the terms of such Bond and this Indenture.

Owner when used with respect to any Bond means the Person in whose name such Bond is registered in the Bond Register, including without limitation the Securities Depository or Securities Depository Nominee with respect to any Bond held pursuant to the Book-Entry System.

Participants means those broker-dealers, banks, and other financial institutions from time to time for which the Securities Depository holds Bonds as a securities depository (each, a "Participant").

Permitted Encumbrances means, as of any particular time:

- (a) Liens for ad valorem taxes, special assessments, and other charges not then delinquent or for taxes, assessments, and other charges being contested in accordance with Section 8.03(b) of the Lease Agreement;
- (b) the Bond Documents and Liens or encumbrances securing Additional Bonds;
- (c) currently existing utility, access, and other easements and rights of way, restrictions, and exceptions described in the title policy required by Section 4.05 of the Lease Agreement;
- (d) utility, access, and other easements and rights of way, restrictions, and exceptions that do not materially impair the use of the Project for its intended purpose or materially and adversely affect the value thereof;
- (e) rights reserved to or vested in any Governmental Authority by the terms of any right, power, franchise, grant, license, or permit, or provision of law, affecting the Project, to (a) terminate such right, power, franchise, grant, license or permit, provided that the exercise of such right does not materially impair the use of the Project for its intended purpose or materially and adversely affect the value thereof, or (b) purchase, condemn, appropriate, or recapture, or designate a purchaser of, the Project;
- (f) rights reserved to or vested in any municipality or public authority to control or regulate the Project or to use the Project in any manner that does not materially impair the use of the Project for its intended purpose or materially and adversely affect the value thereof;
- (g) inchoate mechanics' and materialmen's Liens that arise by operation of law, but that have not been perfected by the required filing of record, for work done or materials delivered after the date of recording the Leasehold Mortgage in connection with the Project;
- (h) the mechanics' and materialmen's Liens permitted by Section 8.01(c) of the Lease Agreement;
- (i) Liens incurred in the ordinary course of business in connection with workers' compensation, unemployment insurance, or other forms of governmental insurance or benefits;
- (j) Liens to secure the performance of letters of credit, bids, tenders, statutory obligations, leases, and contracts (other than for borrowed funds) entered into in the ordinary course of business to secure obligations on or appeal bonds;
- (k) statutory restrictions imposed on the use of real property owned by or for the benefit of the University;
- (l) judgment Liens against the Borrower so long as such judgment is being contested in good faith and execution thereon is stayed or while the period for responsive pleading has not lapsed; and
- (m) Liens arising by reason of an Irrevocable Deposit.

Permitted Investments means any one or more of the following investments, if and to the extent the same are then legal investments under Applicable Law (such legality to be determined by an Authorized Borrower Representative and not the Trustee):

- (a) U. S. Government Obligations;
- (b) debt obligations, participations or other instruments issued or fully guaranteed by any U.S. Federal agency, instrumentalities, corporation, or government-sponsored enterprise (GSE), including but not limited to: Fannie Mae, Freddie Mac, the Federal Home Loan Banks, the Federal Farm Credit System, Alabama Valley Authority, and REFCORP principal strips;
- (c) direct and general obligations of any state of the United States of America or any municipality or political subdivision of such state, or obligations of any corporations, if such obligations are rated in one of the two highest rating categories by S&P or Moody's, or on the discontinuance of either or both of such rating services, any other nationally recognized rating service;
- (d) negotiable or nonnegotiable certificates of deposit, time deposits, or other similar banking arrangements, issued by any nationally or state-chartered bank or trust company (including the Trustee) or any savings and loan association, domiciled in the State of Alabama, if either (i) the long-term obligations of such bank or trust company are rated in one of the two highest rating categories by S&P or Moody's, or, on the discontinuance of either or both of such rating services, any other nationally recognized rating service or (ii) the deposits are continuously secured as to principal, but only to the extent not insured by the Federal Deposit Insurance Corporation, or similar corporation chartered by the United States of America, (1) by lodging with a bank or trust company, as collateral security, obligations described in paragraph (a), (b) or (c) above or other marketable securities eligible as security for the deposit of trust funds under applicable regulations of the Comptroller of the Currency of the United States of America or applicable state law or regulations, having a market value (exclusive of accrued interest) not less than the amount of such deposit, or (2) if the furnishing of security as provided in clause (1) of this paragraph is not permitted by applicable law, in such manner as may then be required or permitted by applicable state or federal laws and regulations regarding the security for the deposit of trust funds;
- (e) repurchase agreements for obligations listed in paragraphs (a), (b) or (c) above (or any combination thereof) entered into with a nationally or state-chartered bank, trust company or a "broker" or "dealer" (as defined by the Securities Exchange Act of 1934 as amended) which is a member of the Securities Investors Protection Corporation if (i) such obligations that are the subject of such repurchase agreement are delivered to the Trustee or are supported by a safekeeping receipt issued by depository that is a regular market participant in such transactions, provided that such repurchase agreement must provide that the value of the underlying obligations will be not less than 103% of the repurchase price, (ii) a prior perfected security interest in the obligations which are the subject of such repurchase agreement has been granted to the Trustee, and (iii) such obligations are free and clear of any adverse third-party claims;
- (f) commercial paper maturing in 270 days or less and rated in the highest rating category by two nationally recognized rating services;
- (g) money market mutual funds invested solely in obligations listed in paragraphs (a) through (d) above;

(h) investment agreements, including guaranteed investment contracts and forward delivery agreements, with any nationally or state-chartered bank, financial institution, insurance company or other entity that is rated or guaranteed by an entity that is rated in one of the three highest rating categories (without regard to gradations or modifiers within such category) by S&P, Moody's, or Fitch; provided however, that if an investment agreement is guaranteed by a third-party, then the rating requirement shall apply to the guarantor only;

(i) certificates or receipts issued by any nationally or state-chartered bank, trust company or "broker" or "dealer" (as defined by the Securities Exchange Act of 1934, as amended) which is a member of the Securities Investors Protection Corporation, organized and existing under the laws of the United States of America or any state thereof, the outstanding unsecured long-term debt of which is rated in either of the two highest rating categories by S&P or Moody's, or, on the discontinuance of either rating service, any other nationally recognized ratings service, in the capacity of custodian, which certificates or receipts evidence ownership or a portion of the principal of or interest on U. S. Government Obligations held (which may be in book entry form) by such bank, trust company or broker or dealer (as defined by the Securities Exchange Act of 1934, as amended) as custodian;

(j) tax-exempt obligations (as defined in Section 150(a)(6) of the Federal Tax Code and which are not "investment property" as defined in Section 148(b)(2) of the Federal Tax Code) rated in one of the two highest rating categories by S&P or Moody's, or on the discontinuance of such ratings service, any other nationally recognized ratings service; or

(k) any other obligation or security, or combination thereof, permitted under the laws of the State of Alabama;

provided, however, **Permitted Investments** does not include a financial instrument, commonly known as a "derivative," whose performance is derived, at least in part, from the performance of any underlying asset, including, without limitations, futures, options on securities, options on futures, forward contracts, swap agreements, structured notes and participations in pools of mortgages or other assets. References to particular ratings and rating categories in this definition are applicable only at the time of purchase of the Permitted Investments.

Person means any natural person, corporation, general or limited partnership, limited liability company or partnership, joint venture, association, trust, unincorporated organization and Governmental Authority.

Pledged Revenues for any period, means (i) the sum of the (a) the gross receipts and operating and non-operating revenues derived by the Borrower from the operation or ownership of the Project (other than contributions), including without limitation the Lease Payments, the NFRA Payments received by the Borrower from the Affiliation Agreement and all revenues received by the Borrower from the Management Agreement, all as pledged to the Trustee pursuant to the Borrower Security Agreement **and** (ii) Net Proceeds of insurance, **and** (iii) Unrestricted Contributions, **but excluding** in any event (ii) the sum of (a) earnings on amounts that are irrevocably deposited in escrow to pay the principal of or interest on Indebtedness, **and** (b) any security deposits received from occupants of the Project and held by the Borrower until such time, if any, as the Borrower is permitted to apply such deposits to the payment of rent or to the repair and maintenance of the Project in accordance with the terms of a lease or residency agreement, **and** (c) earnings or gains resulting from any reappraisal, revaluation, or write-up of assets, **and** (d) any unrealized gain resulting from changes in the value of investment securities.

Project means collectively all "ancillary improvements" (as defined in the Authorizing Act) financed by the Authority from the proceeds of Bonds issued for the benefit of the Borrower and the University, as more particularly defined or described in the Supplemental Indenture for each series of such Bonds.

Project Acquisition Contracts shall have the meaning set forth in the Supplemental Indenture for each series of Bonds.

Property means the real property described in Exhibit A attached hereto which, by this reference thereto, is incorporated herein.

Rating Agency means any nationally recognized securities rating agency or service then rating a series of Bonds (collectively, the "Rating Agencies"). When used in the definition of "Permitted Investments," the term Rating Agencies includes either of Moody's, S&P or Fitch, whether or not either of them then rates a series of Bonds, or such other nationally recognized securities rating agency or service designated by the Borrower.

Rebate Amount means, as of any Calculation Date, the amount that would have been required to be paid to the United States of America under §148(f) of the Federal Tax Code for all Outstanding Tax-Exempt Bonds had all of such Tax-Exempt Bonds been Discharged on and as of such Calculation Date.

Rebate Analyst means any independent certified public accountant, financial analyst, Bond Counsel, Tax Counsel or any firm of the foregoing, or financial institution, experienced in making the arbitrage and rebate calculations required pursuant to Section 148(f) of the Federal Tax Code, selected and retained and compensated by the Borrower pursuant to the Lease Agreement to make the computations and give the directions required under Section 12.02.

Rebate Fund shall have the meaning set forth in Section 12.02.

Redemption Fund means the Indenture Fund of that name created in Section 6.06.

Record Date means the 15th calendar day (whether or not a Business Day) of a month next preceding a Stated Interest Payment Date.

Redemption Price means, on any date of determination for any Bond (or principal amount thereof) to be called for redemption, the principal amount thereof to be redeemed, plus interest accrued on such principal amount to (but not including) the date fixed for such redemption, and the premium, if any, payable upon redemption of such Bond (or portion thereof).

Remedy Proceeds means all amounts received and realized by the Trustee from the exercise of remedies pursuant to the Security Documents (including without limitation the Leasehold Mortgage) and Applicable Law upon an Event of Default.

Repair and Replacement Fund means the Indenture Fund of that name created in Section 6.07.

Repair and Replacement Fund Requirement for the Project, means the amount of money specified in Schedule 6.07(e) to this Indenture, to be deposited in each Annual Period to the Repair and Replacement Fund in accordance with Section 6.07 of this Indenture; provided, however, that the Repair and Replacement Fund Requirement shall be adjusted upwards or downwards by the amounts recommended in the latest Periodic Project Assessment for the Project and upwards by amounts otherwise approved by the Borrower and University and for any other component of the Project, has the meaning set forth in a Supplemental Indenture relating to a series of Additional Bonds issued to finance that component of the Project.

Responsible Officer means, when used for the Trustee, any officer within the Corporate Trust Department (or any successor group of the Trustee) including, without limitation, any vice president, assistant vice president, assistant secretary, or any other officer or assistant officer of the Trustee designated by the Trustee (collectively, the "Responsible Officers").

Revenue Available For Fixed Charges means, for any period, the excess of Revenues over Expenses, plus, to the extent that the same is included as an Expense, (i) any extraordinary expenses (including without limitation losses on the sale of assets other than in the ordinary course of business and losses on the extinguishment of debt or termination of pension plans), (ii) the repayment of the principal amount of any Indebtedness, (iii) interest on Indebtedness other than Short-Term Indebtedness, (iv) depreciation, and (v) amortization.

Revenue Fund means the Indenture Fund of that name created in Section 6.03.

Revenue Fund Distribution Date means the twentieth (20th) calendar day of each month, or the immediately preceding Business Day in such month, as applicable.

Revenues for any period, means Pledged Revenues, as calculated in accordance with GAAP, minus (i) any gains on the sale or other disposition of investments or fixed or capital assets not in the ordinary course of business, (ii) any contributions from any Affiliate, and (iii) any Net Proceeds of insurance other than business or rental interruption insurance.

S&P means S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC, its successors and assigns, and if such corporation for any reason no longer performs the functions of a securities rating agency, "S&P" will be deemed to refer to any other nationally recognized securities rating agency designated by the Borrower. Whenever rating categories of S&P are specified in this Indenture, such categories will be irrespective of gradations within a category.

Securities Act means the Securities Act of 1933, as amended.

Securities Depository means DTC or other recognized securities depository selected by the Authority at the request of the Borrower that maintains the Book-Entry System in respect of such Bonds and agrees to follow the procedures required to be followed hereunder by a securities depository and includes any substitute for or successor to the securities depository initially acting as securities depository and for any series of Additional Bonds, has the meaning set forth in a Supplemental Indenture relating to that series of Additional Bonds.

Securities Depository Nominee means, as to any Securities Depository, such Securities Depository or the nominee of such Securities Depository in whose name there is registered on the Bond Register the Bond certificates to be delivered to and immobilized at such Securities Depository during the continuation with such Securities Depository of participation in the Book-Entry System.

Security means any of the property subject to the operation of the granting clauses contained in the Security Documents (including, without limitation, the Trust Estate).

Security Documents means collectively this Indenture, the Lease Agreement, the Leasehold Mortgage, the Borrower Security Agreement and the Affiliation Agreement and the Management Agreement, and the University Collateral Assignment and the Project Acquisition Contracts (each, a "Security Document").

Series 2024 Bonds means the Revenue Bonds (CHF - Horizons II, L.L.C. Student Housing / Parking Project at Samford University) of the Authority of the following series:

- (i) Tax-Exempt Series 2024-C;
- (ii) Federally Taxable Series 2024-D.

Stated Interest Payment Date means the first day of each April and October, or, if any such date is not a Business Day, then the next succeeding Business Day.

Stated Principal Payment Date means the first day of each October, or, if such date is not a Business Day, then the next succeeding Business Day.

Super-Majority of the Owners means the Owners of not less than sixty-seven percent (67%) in aggregate principal amount of the Bonds then Outstanding.

Supplemental Indenture means any indenture or other instrument delivered by the Authority and the Trustee in compliance with the provisions of this Indenture for the amendment or supplement hereof.

Surplus Fund means the Indenture Fund of that name created in Section 6.10.

Tax Agreement shall have the meaning, if any, set forth in the Supplemental Indenture for each series of Bonds.

Tax Counsel means Maynard Nexsen PC or other Independent Counsel nationally recognized as experienced in matters relating to Tax-Exempt Bonds and reasonably acceptable to the Authority, the Borrower, and the Trustee.

Taxable means, on any date of determination for any Tax-Exempt Bond that is a "tax-exempt bond" as defined in 26 CFR Section 1.150-1(b), that interest on such Bond is not excludable from gross income for purposes of federal income taxation and for any Tax-Exempt Bond that is a "tax-advantaged bond" as defined in 26 CFR Section 1.150-1(b), that such Bond does not qualify for the federal tax benefit applicable to such Bond.

Taxable Bonds means any Bonds that are not Tax-Exempt Bonds.

Tax-Exempt Bonds means (i) any Bonds the interest on which is intended to be excludable from gross income under Section 103(a) of the Federal Tax Code and (ii) any Bond that is a "tax-advantaged bond" as defined in 26 CFR Section 1.150-1(b).

Treasury Regulations means the applicable treasury regulations promulgated under the Federal Tax Code or under §103 of the Internal Revenue Code of 1954, as amended, whether at the time proposed, temporary, final, or otherwise. Reference herein to any specific provision of the Treasury Regulations is deemed to include a reference to any successor provision or provisions to such provision.

Trust Estate shall have the meaning assigned in Section 3.01.

Trustee means the trustee and any co-trustee at the time serving as such under this Indenture.

Underwriter means collectively (i) RBC Capital Markets, LLC, and its successors and assigns and (ii) Stifel, Nicolaus & Company, Incorporated, and its successors and assigns.

University means Samford University, an Alabama nonprofit corporation.

University Collateral Assignment shall have the meaning set forth in the Supplemental Indenture for each series of Bonds.

Unassigned Rights shall have the meaning assigned in the Lease Agreement.

Unrestricted Contributions means contributions to the Borrower with respect to the Project which are not restricted in any way that would prevent their application to the payment of debt service on Indebtedness thereof.

U.S. Currency means lawful currency of the United States of America.

U. S. Government Obligations means and includes pecuniary obligations which are (i) direct general obligations of the United States of America, (ii) obligations with respect to which the full and punctual payment of the principal thereof and interest thereon is unconditionally guaranteed by the United States of America, and (iii) money-market funds consisting solely of obligations described in (i) or (ii) of this definition or repurchase agreements with respect to obligations described in (i) or (ii) of this definition.

Valuation Dates means, collectively, the dates on which the Trustee is required to determine the Value of the cash and investments in any Account of the Bond Fund and of the Debt Service Reserve Fund, which dates will be (i) the date on which any portion of a series of Bonds is defeased in accordance with the provisions of Section 5.01 and (ii) prior to a determination that such Value is less than the Bond Fund Account Requirement for an Account, or the Debt Service Reserve Requirement for an Account (a "Deficiency Determination"), June 30 and December 31 of each year and, after a Deficiency Determination, the last day of each month until the Value of the cash and investments in each Account of the Bond Fund equals or exceeds the Bond Fund Account Requirement therefor and each Account of the Debt Service Reserve Fund equals or exceeds the Debt Service Reserve Requirement therefor, provided, if any such day is not a Business Day the Trustee will make such determination as of the immediately preceding Business Day (each, a "Valuation Date").

Value for Permitted Investments, means (i) as to investments the value of which is established by the pricing service utilized by Trustee in its ordinary course of business, the value most recently listed for such investments by such pricing service; (ii) as to investments the value of which is not established by the pricing service utilized by Trustee, the bid and asked prices of which are published on a regular basis in *The Wall Street Journal* (or, if not there, then in *The New York Times*): the average of the bid and asked prices for such investment so published on or most recently prior to such time of determination; (iii) as to investments (A) the value of which is not established by the pricing service utilized by Trustee and (B) the bid and asked prices of which are not published on a regular basis in *The Wall Street Journal* or *The New York Times*: the average bid price at such time of determination for such investment by any two nationally recognized government securities dealers (selected by the Trustee in its absolute discretion) at the time making a market in such investments or the bid price published by a nationally recognized pricing service; (iv) for certificates of deposit and bankers' acceptances, means the face amount thereof, plus accrued interest; (v) for agreements described in the definition of Permitted Investments that permit the Borrower to withdraw amounts invested thereunder at any time without penalty, the amount available to be withdrawn therefrom; and (vi) for any investment not specified above, means the value thereof established by prior agreement between the Trustee and the Borrower.

ARTICLE 2**Representations of Authority**

The Authority represents that, pursuant to Section 16-17-3(f) of the Authorizing Act, the Judge of Probate of Jefferson County, Alabama, has accepted, and has recorded in the office thereof in Book 344 at pages 58-65, inclusive, as amended by instrument recorded in said office in Book 1051 at pages 491-497, inclusive, the Certificate of Incorporation of the Authority whereupon the Authority has all corporate powers provided by the Authorizing Act, and vested in corporations generally under the Governing Law, and pursuant to the authority thereof has duly authorized, executed and delivered this Indenture in compliance with the Governing Law and the applicable requirements of each Governmental Authority of competent jurisdiction.

ARTICLE 3**Trust Estate; Limited Source of Payment of Bonds****Section 3.01 Constitution of Trust Estate**

For the benefit and security of the Owners, the following properties and interests in properties, as assigned and pledged to the Trustee, shall constitute the "Trust Estate" for all purposes of the Bond Documents:

- (1) all right, title and interest of the Authority in and to the Authority Pledged Property, as pledged to the Trustee pursuant to Section 3.03 of this Indenture; and
- (2) all right, title and interest of the Borrower in and to the Pledged Revenues, as pledged to the Trustee pursuant to the Borrower Security Agreement; and
- (3) all right, title and interest of the Borrower in and to the Collateral, as pledged to the Trustee pursuant to the Borrower Security Agreement; and
- (4) all right, title and interest of the Authority, the Borrower and the University in and to any Net Proceeds of insurance or condemnation, subject to the provisions of the Lease Agreement and this Indenture with respect to the application thereof; and
- (5) the Leasehold Mortgage; and
- (6) all Remedy Proceeds.

Section 3.02 Administration and Enforcement of Security Documents

The Trustee shall administer and enforce the Security Documents in accordance with the terms thereof for the benefit of the Owners and the preservation of the Trust Estate.

Section 3.03 Authority Pledged Property

The Authority, to secure the payment of the Bonds and the performance of the covenants contained in this Indenture and in the Bonds, and to declare the terms and conditions on which the Bonds are secured, and in consideration of the premises and of the purchase of the Bonds by the Owners thereof, grants, bargains, sells, aliens, remises, releases, conveys, assigns, transfers, mortgages, hypothecates, pledges, sets over and confirms unto the Trustee, and grants to the Trustee security title to and a continuing security interest in, all and singular, the following described property and all proceeds and products thereof all without recourse and irrevocably in trust:

- (1) all the right, title, and interest of the Authority in and to the Pledged Revenues; and
- (2) all right, title and interest of the Authority in and to the money and Permitted Investments on deposit in, or forming a part of, the Indenture Funds, subject to the provisions of this Indenture permitting the application thereof for the purposes and on the terms and conditions of this Indenture; and
- (3) all right, title and interest of the Authority in and to the Lease Agreement (except for Unassigned Rights), and all Lease Payments to be made, and all powers, privileges, options and other benefits of the Authority, pursuant thereto; provided, however, that nothing contained in this Section will impair or diminish any obligation of the Authority under the Lease Agreement or impair or diminish the right of the Authority to enforce compliance with the obligations of the Borrower under the Lease Agreement; and
- (4) all the right, title, and interest of the Authority in and to all money, securities and interest earnings thereon from time to time delivered to and held by the Trustee under the terms of any of the Security Documents (excluding money on deposit in the Rebate Fund) and all other rights of every name and nature and any and all other property, rights and privileges from time to time hereafter by delivery or by writing of any kind conveyed, mortgaged, pledged, delivered, assigned, hypothecated or transferred as and for additional security hereunder by the Authority or by any Person or with its written consent to the Trustee, which is hereby authorized to receive any and all such property at any and all times and to hold and apply the same subject to the terms hereof; and

TO HAVE AND TO HOLD all said property, rights and privileges of every kind and description, real, personal or mixed, and hereafter granted, bargained, sold, remised, released, conveyed, assigned, transferred, mortgaged, hypothecated, pledged, set over or confirmed as aforesaid, or intended, agreed or covenanted so to be, together with all the appurtenances thereto appertaining (said property, rights and privileges being in this Indenture called the "Authority Pledged Property") unto the Trustee and its successors and assigns forever;

IN TRUST NEVERTHELESS, on the terms and trusts herein set forth for the benefit, security, and protection of all present and future Owners of the Bonds from time to time issued under and secured by this Indenture without privilege, priority, or distinction as to the Lien or otherwise of any of the Bonds over any of the other Bonds, subject at all times to the rights of the Trustee pursuant to Article 9 hereof;

Section 3.04 Title to; Preservation of; Authority Pledged Property

- (a) The Authority has title to, and the beneficial interest in, and is lawfully possessed of, the properties, rights and interests in properties that comprise the Authority Pledged Property free and clear of any Lien.
- (b) The Authority covenants and agrees to warrant and defend the title to the Authority Pledged Property and every part thereof to the Trustee, its successors and assigns, against the claims and demands of all Persons.
- (c) Except as provided in this Indenture, the Authority will not (i) pledge, sell, transfer or convey the Authority Pledged Property or any part thereof, or (ii) create or incur or suffer or permit to be created or incurred or to exist any Lien on the Authority Pledged Property or any part thereof; or (iii) incur any indebtedness (whether direct, indirect or contingent) payable from or secured by the Authority Pledged Property.
- (d) The Authority agrees to execute, acknowledge and deliver such additional instruments as the Trustee may deem necessary in order to preserve, protect, continue, extend or maintain the pledge and Lien created hereby as a Lien on the Authority Pledged Property.
- (e) To the extent permitted by Applicable Law, the Authority (and all who claim under it) waives the application, and will not claim or take the benefit, of any appraisalment, marshalling, valuation, stay, extension or redemption law now or hereafter in force, in order to prevent or hinder the enforcement of this Indenture.

Section 3.05 Limitations of Liability and Recourse for Payment of Bonds

The Authority, the Trustee and the Owners (by acquisition of an interest in a Bond) covenant and agree:

(1) The Authority will pay the Bonds solely from the Trust Estate as provided in this Indenture. The Authority shall not be directly, indirectly, contingently or otherwise liable for any costs, expenses, losses, damages, claims, or actions, of any conceivable kind on any conceivable theory, under or by reason of or in connection with this Indenture, the Bonds, or the Lease Agreement, except only to the extent amounts are received for the payment thereof from the Borrower.

(2) The covenants and agreements contained in this Indenture do not, and shall never, constitute or give rise to a personal or pecuniary liability or charge against the general credit of the Authority and in the event of a breach of any such covenant or agreement, no personal or pecuniary liability or charge payable directly or indirectly from the general assets or revenues of the Authority (other than the Trust Estate) shall arise therefrom.

(3) The Bonds do not, and shall never, constitute or create an indebtedness or pecuniary liability payable from, or a charge against, the revenues, assets, general credit, or taxing powers of any Governmental Authority within the meaning of any constitutional provision or statutory limitation whatsoever.

(4) No recourse under or upon any covenant or agreement of this Indenture, or of any Bonds, or for any claim based thereon or otherwise in respect thereof, shall be had against any past, present or future Authority Indemnified Person either directly or through the Authority, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise; it being expressly understood that this Indenture and the Bonds issued under this Indenture are solely corporate obligations, and that no personal liability whatever shall attach to, or is or shall be incurred by, Authority Indemnified Person or any successor corporation, or any of them, because of the issuance of the Bonds, or under or by reason of the covenants or agreements contained in this Indenture or in any Bonds or implied therefrom, and all such liability of any Authority Indemnified Person as such is expressly and irrevocably waived and released as a condition of and in consideration for the execution of this Indenture and the issuance of the Bonds.

(5) The Trustee hereby acknowledges that the Authority's sole source of money to repay the Bonds is provided by the Trust Estate, and hereby agrees that if such amounts ever prove insufficient to pay all principal, premium, if any, and interest on the Bonds as the same become due (whether by maturity, redemption, acceleration, or otherwise) or any costs incidental thereto, then the Trustee shall give notice to the Borrower to pay such amounts as are required from time to time to prevent any deficiency or default in the payment of such principal, premium, if any, Redemption Price, interest, or costs incidental thereto including, but not limited to, any deficiency caused by acts, omissions, nonfeasance, or malfeasance on the part of the Trustee, the Borrower, the Authority, or any third party, subject to any right of reimbursement from the Trustee, the Authority, or any such third party, as the case may be, therefor.

(6) None of the provisions of this Indenture shall require the Authority to expend or risk its own funds or otherwise to incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers hereunder, unless payable from the Trust Estate, or unless the Authority shall first have been adequately indemnified to its satisfaction against the cost, expense, and liability which may be incurred thereby. The Authority shall not be under any obligation hereunder to perform any administrative service for the Bonds or the Project (including, without limitation, record keeping and legal services), it being understood that such services will be performed or provided by the Trustee or the Borrower. The Authority covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions expressly contained in the Lease Agreement, this Indenture, and any and every Bond executed, authenticated, and delivered under this Indenture; provided, however, that the Authority shall not be obligated to take any action or execute any instrument under any provision hereof unless and until it has (a) been requested to do so in writing by the Borrower, the Trustee, or a Majority of the Owners, having the authority to so direct, (b) received from the party requesting such action or execution assurance satisfactory to the Authority that the Authority's expenses incurred or to be incurred in connection with taking such action or executing such instrument have been paid or will be paid or reimbursed to the Authority and (c) if applicable, received in a timely manner the instrument or document to be executed, in form and substance satisfactory to the Authority. In complying with any provision in the Lease Agreement or herein, including, but not limited to, any provision requiring the Authority to "cause" another Person to take or omit any action, the Authority shall be entitled to rely conclusively (and without independent investigation or verification) (i) on the faithful performance by the Trustee or the Borrower, as the case may be, of their respective obligations under the Lease Agreement and hereunder, and (ii) upon any written certification or opinion furnished to the Authority by the Trustee or the Borrower, as the case may be. In acting, or in refraining from acting under this Agreement, the Authority may conclusively rely on the advice of its counsel. The Authority shall not be required to take any action hereunder or under the Lease Agreement that it reasonably believes to be unlawful or in contravention hereof or thereof.

(7) Nothing in this Indenture shall be deemed or construed to limit, impair, or affect in any way the Authority's (or any Authority Indemnified Person's) right to enforce the Unassigned Rights, regardless of whether there is then existing an Event of Default (including, without limitation, a payment default), or any action based thereon or occasioned by an Event of Default or alleged Event of Default, and regardless of any waiver or forbearance granted by the Trustee or any Owner in respect thereof. Any default or Event of Default in respect of the Unassigned Rights may only be waived with the Authority's written consent.

ARTICLE 4

The Bonds

Section 4.01 Authorization of Bonds

(a) The Authority may, pursuant to and in accordance with the Governing Law and this Indenture, authorize and issue "bonds" (within the meaning of the Authorizing Act) in series, from time to time and at any time, for any lawful purpose and without limit as to aggregate principal amount, payable solely from, and secured by a pledge of, the Trust Estate on an equal and proportionate basis and parity of Lien with all Bonds.

(b) The general title of Bonds of all series shall be "Revenue Bonds (CHF - Horizons II, L.L.C. Student Housing/Parking Project at Samford University)" provided the Authority shall incorporate in or add to the general title of any particular series of the Bonds any words, letters, or figures to distinguish that series.

(c) The several series of Bonds may differ as between separate series in any respect not in conflict with this Indenture and as may be prescribed in the Supplemental Indenture creating each such series of Bonds; provided, all Bonds of the same series shall be substantially identical except that any series may have serial maturities and different interest rates for different maturities.

(d) Each series of Bonds shall be issued on the terms provided therefor in a Supplemental Indenture; provided, however:

- (1) interest on all Bond shall become due and payable on a Stated Interest Payment Date;
- (2) principal of all Bonds shall become due and payable (by stated maturity or mandatory redemption) on a Stated Principal Payment Date; and
- (3) any Bond having a stated maturity more than ten (10) years after its date shall be made subject to redemption at the option of the Authority at the expiration of ten (10) years from its date and on any Stated Interest Payment Date thereafter.

(e) The Authority may, at the time of authorization of any series of Bonds, or at any later time thereafter, make provisions for the Bonds of such series to be held pursuant to a Book-Entry System.

Section 4.02 Authorization of Series 2024 Bonds

The Authority authorizes the issuance of the Series 2024 Bonds pursuant to Supplemental Indentures delivered simultaneously with the delivery of this Indenture without compliance Section 4.03.

Section 4.03 Issuance and Delivery of Additional Bonds

(a) So long as no Event of Default hereunder is then existing (or so long as such Event of Default is cured on the issuance of Additional Bonds), the Authority may, but is not obligated to, issue Additional Bonds on the written request of the Borrower to provide funds to pay any one or more of the following:

- (1) the costs of completing a Project;
 - (2) the costs of making such modifications, repairs, renewals, improvements, replacements, alterations, additions, enlargements, or expansions in, on, or to the Project, including any and all machinery, furnishings and equipment therefor as the Borrower deems necessary or desirable that will not impair the nature of the Project and will be located on the Property;
 - (3) the costs of refunding (in whole or in part) any Bonds;
 - (4) the costs of the acquisition, equipping, and construction of additional property and housing (including related buildings and ancillary facilities) to be utilized for the benefit of the University, including the acquisition of personal and real property;
 - (5) in each of the foregoing cases, the costs of the issuance and sale of the Additional Bonds, capitalized or funded interest, the cost of funding a debt service reserve fund and such other costs reasonably related to the financing as agreed on by the Borrower and the Authority.
- (b) Each series of Additional Bonds may be issued on a parity with all Bonds Outstanding and thereafter issued, and will be secured by the Lien and security interests granted by this Indenture equally and ratably with all Bond Outstanding and thereafter issued.
- (c) Except in the case of clause (a)(1) above relating to the completion bonds (including, in each case, the costs of issuance and sale of the Additional Bonds, capitalized or funded interest, the cost of funding a debt service reserve fund and such other costs reasonably related to the financing as agreed on by the Borrower and the Authority), no Additional Bonds will be issued under this Indenture unless and until there is furnished to the Trustee written confirmation from each Rating Agency then rating any series of Outstanding Bonds that subsequent to the issuance of such Additional Bonds, the existing underlying rating or ratings on any series of Outstanding Bonds will not be lowered, suspended or withdrawn.
- (d) Except in the case of clause (a)(1) above relating to the completion bonds (including, in each case, the costs of issuance and sale of the Additional Bonds, capitalized or funded interest, the cost of funding a debt service reserve fund and such other costs reasonably related to the financing as agreed on by the Borrower and the Authority) and as provided below, the Borrower may not incur any additional Indebtedness without evidence in the form of a Financial Consultant's report that (i) the Fixed Charges Coverage Ratio for the most recent Annual Period prior to the incurrence of such additional Indebtedness was at least 1.20, (ii) the projected Fixed Charges Coverage Ratio for the first two full Annual Periods immediately succeeding completion of the financed additions or improvements to the Project by such additional Indebtedness would be at least 1.20 (including the proposed additional Indebtedness and revenues related thereto), and (iii) to the extent applicable, the occupancy of the Project was at least 95% in the preceding Annual Period.

- (e) Notwithstanding the foregoing clause (c) of this Section, the Borrower may incur additional Indebtedness securing Additional Bonds under clause (4) of Section 4.03(a) above (including, in each case, the costs of issuance and sale of the Additional Bonds, capitalized or funded interest, the cost of funding a debt service reserve fund and such other costs reasonably related to the financing as agreed on by the Borrower and the Authority) on the delivery of evidence in the form of a Financial Consultant's report that the projected Fixed Charges Coverage Ratio for the first three full Annual Periods immediately succeeding completion of such additional property and housing would be at least 1.20 (including the proposed additional Indebtedness and the outstanding Indebtedness and related revenues) without regard to the historical Fixed Charges Coverage Ratio referenced in clause (i) of Section 4.03(d) or the occupancy requirement referenced in clause (iii) of Section 4.03(d).
- (f) Notwithstanding anything else contained herein or in the Lease Agreement, the Borrower is authorized to incur additional Indebtedness in the form of financing leases for the acquisition of equipment, provided such amount is included in the Annual Budget.
- (g) On the execution and delivery in each instance of an appropriate indenture supplemental hereto, the Authority will execute and deliver to the Trustee, and the Trustee will register and authenticate, Additional Bonds and deliver them to the purchaser or purchasers as may be directed by the Authority, provided, prior to the delivery by the Trustee of any such Additional Bonds, there will be filed with the Trustee:
- (1) if, and to the extent, necessary, a valid and effective amendment to the Lease Agreement providing for the inclusion within the Project of any real estate and interests therein and any buildings, structures, facilities, machinery, equipment, and related property to be acquired by purchase or construction from the proceeds of the Additional Bonds and providing for an increase in the Basic Lease Payment obligations of the Borrower;
 - (2) a valid and effective Supplemental Indenture providing for the issuance of such new series of Additional Bonds and subjecting to the Lien hereof, the amendments to the Lease Agreement, the Leasehold Mortgage, and the Borrower Security Agreement;
 - (3) a valid and effective amendment to the Leasehold Mortgage (i) subjecting to the Lien of the Leasehold Mortgage the Borrower's interest in and to any real estate and/or interests therein acquired by purchase or construction with the proceeds of the Additional Bonds and (ii) assigning and pledging to the Trustee the Borrower's interest in and to the leases, rents, issues, profits, revenues, income, receipts, money, royalties, rights and benefits thereof and therefrom;
 - (4) a valid and effective amendment to the Leasehold Mortgage, granting a security interest to the Trustee in the Borrower's interest in (i) any personal property acquired by purchase or construction with the proceeds of the Additional Bonds, (ii) any buildings, structures, facilities, and related property to be acquired by purchase or construction from the proceeds of the Additional Bonds, and (iii) any of its interest in its accounts, documents, chattel paper, instruments, general intangibles (including payment intangibles), supporting obligations, investment property, and deposit accounts arising in any manner from the Borrower's ownership and/or operation of any property acquired by purchase or construction with the proceeds of the Additional Bonds;
 - (5) a valid and effective amendment to the Borrower Security Agreement, granting a security interest to the Trustee in the Borrower's interest in any contract documents and/or agreements entered into in connection with the use of proceeds of such Additional Bonds and assigning and pledging to the Trustee the Borrower's interest, rights, and benefits thereof and therefrom;
 - (6) a copy, duly certified by an Authorized Signatory, of a resolution of the Authority theretofore adopted and approved authorizing the execution and delivery of such Supplemental Indenture, such amendment to the Lease Agreement and the issuance of such Additional Bonds;
 - (7) a request and authorization to the Trustee on behalf of the Authority, signed by an Authorized Signatory, to authenticate and deliver such Additional Bonds to the purchaser or purchasers therein identified on payment to the Trustee, for the account of the Authority, of a specified sum plus any accrued interest; the proceeds of such Additional Bonds will be paid over to the Trustee and deposited to the credit of the Bond Fund or to such other Indenture Fund as are provided and created by the Supplemental Indenture;
 - (8) a certificate signed by an Authorized Borrower Representative to the effect that no Event of Default under this Indenture or the Lease Agreement is then existing or will result from the issuance of such Additional Bonds;
 - (9) a Favorable Opinion of Bond Counsel and an Opinion of Counsel to the effect that the Additional Bonds are secured on parity to the Bonds and that the Additional Bonds have been validly issued;
 - (10) if required, an endorsement of the mortgagee's title insurance policy or a separate policy required by the Lease Agreement in an amount sufficient to make the face amount of the policy equal to the sum of the then Outstanding Principal Amount of the Bonds;
 - (11) such other documents as the Trustee or the underwriter of such Additional Bonds may require.

Section 4.04 Accrual of Interest on Bonds

The Outstanding Principal Amount of each Bond shall accrue interest at the per annum rate of interest thereof calculated on the basis of a 360-day year of 12 consecutive 30-day months for the period beginning on (and including) the date of delivery of and payment for such Bond and continuing thereafter until (but not including) the date on which the principal of such Bond is paid in full and retired; provided that, anything in this Indenture or in the Bonds to the contrary notwithstanding, interest on the principal amount (or portion thereof called for redemption) of any Bond will cease to accrue from and after the date on which:

- (1) such Bond shall have been replaced pursuant to Section 4.09; or
- (2) such Bond shall have been delivered to the Trustee for cancellation pursuant to Article 13; or
- (3) the principal (or a stated portion thereof) of such Bond shall have become due and payable by stated maturity or redemption and on such maturity date or redemption date the Trustee holds, pursuant to Section 6.01(d), trust funds in an aggregate amount sufficient to pay in full the principal (or portion thereof called for redemption) of, and interest on, such Bond becoming due and payable on such date.

Section 4.05 Execution of Bonds

(a) The Authority authorizes and directs the Chair and Secretary of the Authority to execute, seal and attest the Bonds presented for issuance and delivery pursuant to this Indenture on each of the following dates:

- (1) the initial date of delivery of, and payment for, a Bond; and
- (2) the date of partial redemption of a Bond; and
- (3) the date of transfer, exchange or replacement of a Bond.

(b) The Authority and the Trustee will treat as valid for all purposes of this Indenture all Bonds executed by the natural person who on the date of such execution thereof validly holds and exercises the office of Chair of the Authority without regard to whether at any time prior to, or after, the date of delivery of such Bond such person shall have ceased to hold and exercise such office.

Section 4.06 Authentication of Bonds

(a) The Trustee will, by duly authorized officer thereof, authenticate, register and deliver all executed Bonds delivered by the Authority to the Trustee for such purpose in accordance with (i) the written instructions of the Authority with respect thereto and (ii) the procedures and rules of the Securities Depository to the extent applicable thereto.

(b) The authentication of a Bond by a duly authorized officer of the Trustee shall be effective for all purposes of this Indenture.

Section 4.07 Registration of Bonds

(a) The Authority shall cause the Bond Register to be kept at the Office of the Trustee in which, subject to such reasonable regulations as it may prescribe, the Authority shall provide for the registration of Bonds.

(b) The Bond Registrar will register the ownership of each of the Bonds on the Bond Register in the name of the Person who shall have acquired such Bond.

Section 4.08 Transfer and Exchange of Bonds

(a) The Owner of any Bond may, except as provided in Section 4.07(c), transfer such Bond upon the Bond Register by surrender of such Bond to the Trustee with endorsement for transfer thereon, or with a written instrument of transfer acceptable to the Trustee, executed by such Owner or the attorney thereof authorized in writing therefor and by payment in advance in immediately available funds of all expenses and governmental charges to be incurred by the Authority and the Trustee in connection with such transfer, whereupon pursuant to this Indenture the Authority will execute, and the Trustee will authenticate, register and deliver to such transferee as directed in writing by such Owner a new Bond of the same series, dated the date of transfer, and of like tenor, Stated Principal Payment Date, interest rate, and in a principal amount in Authorized Denominations equal to the Outstanding Principal Amount, of the Bond so surrendered.

(b) The Owner of any Bond in a face amount of more than the smallest Authorized Denomination may, except as provided in Section 4.07(c), surrender the same in exchange for more than one Bond, each in a principal amount which is an integral multiple of an Authorized Denomination and each having the same stated maturity, interest rate, and principal amount as the Bond so surrendered, whereupon pursuant to this Indenture the Authority will execute, and the Trustee will authenticate, register and deliver to such transferee as directed in writing by such Owner a new Bond of the same series, dated the date of transfer, and of like tenor, Stated Principal Payment Date, interest rate, and in a principal amount in Authorized Denominations equal to the Outstanding Principal Amount, of the Bond so surrendered.

(c) Anything in this Indenture or in the Bonds to the contrary notwithstanding, the Trustee is not required to transfer or exchange any Bond during the period beginning on a Record Date and ending on the then next succeeding Stated Interest Payment Date, or during the period of forty-five days next preceding any date established for optional redemption, mandatory redemption, or extraordinary mandatory redemption of such Bond.

Section 4.09 Replacement of Bonds Upon Request or for Conformance to Supplemental Indenture

(a) An Owner may by written instrument request the Authority and the Trustee to issue a new Bond in replacement of any Bond which such Owner proves to the satisfaction of the Authority and the Trustee to have been lost, destroyed, or mutilated (so the same is not held by the Owner as the property thereof) and shall not have been acquired by a bona-fide purchaser, by delivery to the Office of the Trustee of such indemnity and security as the Authority and the Trustee shall require to save harmless the Authority and the Trustee from any claim whatsoever by reason of compliance with this Section, and the payment of any governmental charges and expenses of the Authority in connection therewith, then, in the absence of actual notice to the Authority or a Responsible Officer that such Bond has been acquired by a bona fide purchaser, pursuant to this Indenture the Authority shall execute and the Trustee shall thereupon authenticate, register and deliver, in exchange for or in replacement of any such mutilated, destroyed, lost or stolen Bond, a new Bond of the same series dated the date of replacement and of like tenor, Stated Principal Payment Date, interest rate, and in a principal amount in Authorized Denominations equal to the Outstanding Principal Amount, of the Bond so replaced.

(b) The Authority may, and shall if required by the Trustee, upon the delivery of any Supplemental Indenture, execute and deliver, and the Trustee shall thereupon authenticate, register and deliver, new Bonds modified as to conform, in the determination of the Trustee and the Authority, to such Supplemental Indenture, in exchange for or in replacement of the Bonds; provided each such new Bond shall be dated the date of replacement and of the same series, like tenor, stated maturity date, interest rate, and in a principal amount in Authorized Denominations equal to the Outstanding Principal Amount, of the Bond so replaced thereby.

ARTICLE 5

Defeasance and Redemption of Bonds

Section 5.01 Defeasance of Bonds; Defeasance Fund

(a) The Authority may provide for the payment of all or any of the Bonds in advance of, or on, the stated maturity date thereof, by establishing a separate, irrevocable, trust fund (a "Defeasance Fund") for such purpose with the Trustee, for the exclusive and sole benefit of the Owners of the Bonds to be paid therefrom, and depositing therein Defeasance Obligations which (assuming the due and punctual payment thereof) will provide funds sufficient to pay in full when due the Debt Service with respect to such Bonds to and including the date of redemption, in whole, or maturity thereof: provided:

(1) if any of such Bonds are to be redeemed prior to their respective maturities, the Authority shall confer on the Trustee irrevocable authority to effect such redemption in accordance with this Indenture;

(2) the Trustee shall have received (i) a Favorable Opinion of Bond Counsel to the effect that the establishment of, and the investment of amounts on deposit in, a Defeasance Fund for such Bonds will not cause interest on any of such Bonds which was issued as a Tax-Exempt Bond to be or become Taxable and (ii) a Certificate of an Independent Auditor to the effect that the aggregate principal amount of the Defeasance Obligations on deposit in the Defeasance Fund, and the income therefrom, without reinvestment, shall be sufficient to pay in full when due the Debt Service on such Bonds; provided, anything in this Indenture to the contrary notwithstanding, the Certificate of an Independent Auditor shall not be required with respect to a Defeasance Fund if (A) only U.S. Currency in an amount not less than the total Debt Service to be paid therefrom is deposited in such Fund and (B) all amounts in such Fund are expended for the purposes thereof within 90 days from the date such Fund was established.

(b) The Trustee shall apply all amounts in a Defeasance Fund solely for the payment when due of the Debt Service with respect to the Bonds for which such fund was established.

(c) Anything in this Indenture to the contrary notwithstanding, the Owner of each Bond for the benefit of which a Defeasance Fund shall have been created and funded shall have the right to consent, by Act thereof, to any amendment to the provisions of this Section as long as such Bond shall be subject to the accrual of interest thereon.

Section 5.02 Special Provisions for Optional Redemption of Bonds

(a) The Authority shall effect the optional redemption of the Bonds at the Redemption Price thereof on each applicable Business Day established therefor pursuant to the terms thereof and the provisions of this Section.

(b) The Authority may provide for the optional redemption, in whole or in part, of one or more series of such Bonds without the redemption, in whole or in part, of any other series of Bonds.

(c) The Authority may redeem less than all of the Bonds of any series upon written notice thereof to the Trustee, by such date in advance of the proposed redemption date as shall enable the Trustee to comply with this Indenture with respect thereto, which notice shall designate the order, and the aggregate principal amount, by stated maturity and in Authorized Denominations, of the Bonds of such series to be redeemed. The Trustee or the Securities Depository, as applicable, will determine the principal amount of a Bond or Bonds to be redeemed within a maturity.

(d) The Authority may, anything in this Indenture to the contrary notwithstanding, provide for the conditional optional redemption of any Bond (or portion or portions thereof) contingent upon specified conditions, such as deposit or receipt of funds necessary for such redemption or the occurrence of specified events, provided, if the conditions for such optional redemption are not satisfied prior to the proposed date established for redemption, such Bonds shall not be subject to redemption on such date and the Authority shall not be required to redeem such Bonds (or portions thereof) subject to such conditional redemption. The Authority shall return any Bonds surrendered upon such call for conditional optional redemption to the Owners thereof. The failure of the Authority to redeem any Bond called for conditional optional redemption as provided in this Section shall not constitute an Event of Default.

(e) The Trustee shall give notice of optional redemption of any Bonds in form and manner as set forth Section 5.05 not less than 30 days prior to the proposed date established for such redemption.

(f) The Authority will establish, pursuant to separate agreement with the Trustee, a Defeasance Fund for all Bonds called, in whole or in part, for optional redemption.

(g) The Authority agrees to pay the Redemption Price of each Bond (or principal amount thereof) called for optional redemption on the Business Day established for such redemption solely from the Defeasance Fund established therefor in the manner and as provided in this Indenture for the payment of the Bonds.

Section 5.03 Special Provisions for Mandatory Redemption of Bonds

- (a) The Authority shall effect the mandatory redemption of any Bonds at the Redemption Price thereof on each applicable Stated Principal Payment Date pursuant to the terms thereof and the provisions of this Section.
- (b) The Trustee shall give notice of such mandatory redemption in form and manner as set forth in Section 5.05 not less than 30 days prior to the proposed date established for such redemption.
- (c) The Trustee or the Securities Depository, as appropriate, will determine, on the basis of the smallest Authorized Denomination:
- (1) by random selection the particular Bonds of each series to be redeemed by mandatory redemption; and
 - (2) the principal amount of a Bond to be redeemed within a maturity.
- (d) The Authority agrees to pay the Redemption Price thereof on each Bond (or principal amount thereof) on the Stated Principal Payment Date on which such Bond shall have been called for mandatory redemption solely from the Bond Fund in the manner and as provided in this Indenture for the payment of the Bonds.

Section 5.04 Special Provisions for Extraordinary Redemption of Bonds

- (a) The Bonds of each series are subject to extraordinary redemption by the Trustee at the applicable Redemption Price therefor as provided in Section 6.02 and in the respective Supplemental Indenture providing in such series of Bonds.
- (b) The Trustee shall give notice of extraordinary mandatory redemption of any Bonds in form and manner as set forth Section 5.05 not less than 30 days prior to the proposed date established for such redemption.
- (c) The Trustee or the Securities Depository, as appropriate, will determine, on the basis of the smallest Authorized Denomination:
- (1) the aggregate principal amount of the Bonds of each series to be redeemed by extraordinary redemption on a proportionate basis, without preference or priority, according to the aggregate principal amount of the Bonds of each series and the aggregate amount on deposit in the Extraordinary Redemption Fund (rounded down to the highest Authorized Denomination) on the date on which the Trustee must give the required notice of redemption pursuant to Section 5.05(b); and
 - (2) by random selection the particular Bonds of each series to be redeemed by extraordinary redemption; and
 - (3) the principal amount of a Bond to be redeemed within a maturity.

- (d) The Authority authorizes and directs the Trustee to pay the Redemption Price of all Bonds called for extraordinary redemption, in whole or in part, solely from the Redemption Fund in the manner and as provided in this Indenture for the payment of the Bonds.

Section 5.05 Notice of Redemption

- (a) The Authority authorizes and directs the Trustee to give notice of redemption, in the name and at the expense of the Authority, to the Owner of each Bond to be redeemed (in whole or in part), subject to waiver by any Owner of notice of redemption of the Bonds thereof, by United States registered or certified mail or, if the Securities Depository is the Owner, at the times and in the manner as provided in the rules and procedures of the Securities Depository, at the address of such Owner in the Bond Register, by the date in advance of the proposed date of redemption as specified in the Section of this Indenture which provides for such redemption.
- (b) All notices of redemption shall state: (i) the principal amount and CUSIP numbers of the Bonds to be redeemed, in whole or in part; (ii) the Business Day, or Stated Interest Payment Date, established for such redemption; (iii) the applicable Redemption Price; (iv) whether such redemption is mandatory, optional or extraordinary; (v) that the Redemption Price of each of the Bonds (or principal portion thereof) to be redeemed will become due and payable on the stated redemption date and that interest thereon shall cease to accrue from and after said date; (vi) to the extent required for Bonds in certificated form, the place or places where the Bonds to be redeemed are to be surrendered for payment of such Redemption Price; (vii) if applicable, the terms upon which optional redemption is contingent upon specified conditions; and (viii) such additional terms or provisions which the Trustee may determine to be necessary or desirable or required by Applicable Law or the internal procedures of the Trustee.
- (c) The Authority and the Trustee shall, to the extent practical under the circumstances, comply with the standards set forth in Securities and Exchange Commission's Exchange Act Release No. 23856 regarding redemption notices, provided that their failure to do so shall not in any manner defeat the effectiveness of call for redemption if notice thereof is given as prescribed in this Section.

ARTICLE 6

Payment of Bonds; Indenture Funds

Section 6.01 Payment of Bonds

(a) The Trustee shall, for the account of the Authority, pay Debt Service on the Bonds in U.S. Currency immediately available, as follows:

(1) the Trustee will pay to the Owners in whose names the Bonds are registered in the Bond Register: (i) at the close of business on the Record Date, the interest on the Bonds due on each Stated Interest Payment Date, and (ii) the principal of the Bonds due (by maturity or mandatory redemption) on each Stated Principal Payment Date only upon presentation and surrender thereof at the Principal Office of the Trustee, and (iii) the Debt Service on the Bonds due on each date established for optional redemption, extraordinary redemption, or payment in full upon acceleration, of any Bond only upon presentation and surrender thereof at the Office of the Trustee; and

(2) the Trustee will, upon the written request of the Owner of any Bond in a principal amount of not less than \$1,000,000, make payment of Debt Service on such Bond when due by wire transfer to an account of such Owner maintained at a bank in the continental United States or by any other method providing for payment in same-day funds that is acceptable to the Trustee, if such written request contains adequate instructions for the method of payment and final payment of principal is made upon such surrender of the Bond or Bonds.

(b) If any payment on the Bonds is due on a day which is not a Business Day, such payment shall be made, in the same amount, on the first succeeding day which is a Business Day, with the same effect as if made on the date on which such payment was due.

(c) All payments to the Owners of Debt Service on the Bonds on behalf of the Authority or the Trustee shall be valid and effectual to discharge, satisfy and terminate the liability of the Authority, the Borrower, and the Trustee to the extent of the amounts so paid.

(d) If an Owner fails to present or surrender the Bond or Bonds thereof on any date established for payment of principal thereof, the Trustee shall transfer amounts held in the Bond Fund, or in a Defeasance Fund, as applicable, sufficient for the payment of Debt Service on such Bond or Bonds to a separate trust fund created by the Trustee for such purpose and hold such amounts in trust for the sole benefit of the Person or Persons entitled thereto, which amounts shall not be invested and shall not constitute part of the Trust Estate. Any amounts held in trust by the Trustee pursuant to this Section which are unclaimed for three (3) years after the date on which payment thereof was due to have been made shall, subject to Applicable Law, be paid to the Authority upon written request of an Authorized Signatory and the Owner of any such Bond or Bonds to be paid from such amounts shall thereafter, as an unsecured general creditor, have recourse only to the University for payment thereof, and all liability of the Trustee with respect to such trust money shall cease; provided, however, the Trustee may, prior to payment of such amounts to the University and at the written direction and expense of the University, publish notice once, by financial newspaper of national circulation or by Electronic Means as the Trustee determines is appropriate, that such amounts remain unclaimed and that, after a date specified in such notice (which shall be not less than 30 days after publication of such notice), such amounts will be paid to the University.

Section 6.02 Establishment of, and General Provisions for, the Indenture Funds

(a) Establishment of Funds

The Authority creates and establishes the following funds each as an Indenture Fund under this Indenture subject to the Lien of this Indenture pursuant to Section 3.01(2) for the application and purposes set forth therefor in this Article:

- (1) Revenue Fund;
- (2) Bond Fund;
- (3) Debt Service Reserve Fund;
- (4) Redemption Fund;
- (5) Repair and Replacement Fund;
- (6) Insurance and Condemnation Fund;
- (7) Operations Contingency Fund;
- (8) Surplus Fund.

(b) Trustee as Depository of Funds

- (1) The Authority authorizes and directs the Trustee to:
 - (i) hold each of the Indenture Funds, in trust, as custodian, depository and disbursing agent for each such Fund subject to the Lien of this Indenture for the benefit of the Owners;
 - (ii) deposit, invest, value and apply the funds in each of the Indenture Funds as provided therefor in this Article.
- (2) The Authority agrees the Trustee shall not be liable for any misapplication of amounts in an Indenture Fund if disbursed pursuant to this Indenture and without actual knowledge that such disbursement constitutes a misapplication of funds.

(c) Application of Funds from Borrower For Prepayment of Lease Agreement

The Authority authorizes and directs the Trustee to transfer all amounts delivered to the Trustee by the Borrower pursuant to Article 13 of the Lease Agreement to the Redemption Fund, and thereupon effect the redemption of Bonds Outstanding in an aggregate principal amount for which such amounts are sufficient to pay the Redemption Price thereof, on the first redemption date for which the required notice may be given, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or privilege.

(d) Application of Indenture Funds to Redeem All Bonds Outstanding

The Authority authorizes and directs the Trustee to transfer all amounts in each of the Indenture Funds to the Redemption Fund, and effect the redemption of all Bonds Outstanding on the first redemption date for which the required notice may be given, upon (i) receipt by the Trustee of written instruction therefor by an Authorized Borrower Representative accompanied by the written consent of an Authorized University Representative and (ii) verification by the Trustee that the aggregate amount of funds in the Indenture Funds is sufficient to pay on such redemption date the Redemption Price of all Bonds Outstanding and all other amounts necessary to be paid under the Bond Documents, on or before such redemption date, to effect the discharge and termination of this Indenture pursuant to Section 13.03.

(e) Application of Indenture Funds and Remedy Proceeds Upon Event of Default

The Authority authorizes and directs the Trustee, upon the occurrence of an Event of Default and the consequent declaration by the Trustee that the principal of all Bonds Outstanding are due and payable, to transfer all Remedy Proceeds, and all amounts in the Indenture Funds, after payment of all amounts which are due and owing to the Trustee under Section 9.02, to the Redemption Fund and thereupon effect the redemption of Bonds Outstanding in an aggregate principal amount for which such amounts are sufficient to pay the Redemption Price thereof, on the first redemption date for which the required notice may be given, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or privilege.

(f) Application of Indenture Funds Upon Discharge of Indenture

The Authority authorizes and directs the Trustee to apply the funds in the Indenture Funds as provided in Section 13.04 upon the discharge and termination of this Indenture.

Section 6.03 Revenue Fund.

(a) The Authority authorizes and directs the Trustee to deposit in the Revenue Fund, when and as received:

(1) all Pledged Revenues delivered to the Trustee, provided, the Trustee shall deposit all Net Proceeds in the Insurance Fund or the Condemnation Fund, as appropriate; and

(2) all amounts required to be deposited in the Revenue Fund pursuant to this Article and any of the Bond Documents; and

(3) all amounts required to be deposited in the Revenue Fund pursuant to any of the Bond Documents; and

(4) all amounts delivered to the Trustee by any Person with written directions to deposit such amounts in the Revenue Fund.

(b) The Authority authorizes and directs the Trustee to apply all amounts in the Revenue Fund in the following order and amounts:

(1) First Bond Fund

The Trustee will deposit in each Account of the Bond Fund, on each Revenue Fund Distribution Date, an amount equal to the lesser of the following, provided, no amount shall be deposited in an Account if the amount therein is equal to the Bond Fund Account Requirement therefor on such Revenue Fund Distribution Date:

(i) an amount equal to the sum of

(A) one-sixth (1/6th) of the interest which shall become due and payable on the series of Bonds for which such Account was established on the Stated Interest Payment Date which immediately succeeds such Revenue Fund Distribution Date; provided, with respect to the Stated Interest Payment Date that immediately succeeds the date of initial issuance of such series of Bonds, an amount equal to the interest which shall become due and payable on such Stated Interest Payment Date divided by the number of Revenue Fund Distribution Dates which occur between such date of issuance and such Stated Interest Payment Date; and

(B) one-twelfth (1/12th) of the principal which shall become due and payable on the series of Bonds for which such Account was established on the Stated Principal Payment Date which immediately succeeds such Revenue Fund Distribution Date; provided, with respect to the Stated Principal Payment Date that immediately succeeds the date of initial issuance of such series of Bonds, an amount equal to the principal which shall become due and payable on such Stated Principal Payment Date divided by the number of Revenue Fund Distribution Dates which occur between such date of issuance and such Stated Principal Payment Date; or

(ii) an amount equal to the amount by which the Bond Fund Account Requirement for such Account exceeds the amount then on deposit in such Account of the Bond Fund.

(2) Second Trustee Fees

The Trustee will pay to the Trustee, upon written request with appropriate invoice: (i) an amount equal to the annual fee of the Trustee for the Ordinary Services of the Trustee rendered, and the Ordinary Expenses of the Trustee incurred, under the Bond Documents, as and when the same become due, (ii) the reasonable fees and charges of the Trustee, as bond registrar and paying agent, and of any other paying agents on the Bonds for acting as paying agents as provided herein, as and when the same become due, and (iii) the reasonable fees and charges of the Trustee for the Extraordinary Services of the Trustee rendered, and the Extraordinary Expenses of the Trustee incurred, under the Bond Documents, as and when the same become due; provided, that the Borrower may, without creating an Event of Default hereunder, contest in good faith the reasonableness of any such Extraordinary Services of the Trustee and Extraordinary Expenses of the Trustee and the reasonableness of any such fees, charges, or expenses.

(3) Third Operating Account

The Trustee will distribute to the Borrower, on each Revenue Fund Distribution Date, for deposit into the Operating Account an amount equal to the lesser of (i) the greater of (A) the amount budgeted in the Annual Budget for Operating Expenses of the Project for the immediately succeeding month and (B) any amount necessary to meet the minimum balance requirement, which for purposes of this Indenture shall be an amount equal to ten percent (10%) of the Operating Expenses shown in the then current Annual Budget or (ii) the excess, if any, of (A) the amount budgeted in the Annual Budget for Expenses for the then current Fiscal Year over (B) the amount theretofore deposited in the Operating Account pursuant to this subsection for the then current Fiscal Year.

(4) Fourth Rebate Fund

The Trustee will deposit in the Rebate Fund and the Account(s) therein, on the dates on which the Borrower provides any calculation of the Rebate Amount to the Trustee in accordance with Section 12.02, the amounts determined by the Borrower to be equal to the excess, if any, of the Rebate Amount so calculated over the amount then in the Rebate Fund.

(5) Fifth Debt Service Reserve Fund

If any amounts are withdrawn from, or if there is diminution in Value of funds and investments (or if any net losses result from the investment of funds) held in, an Account of the Debt Service Reserve Fund for a series of Bonds, that reduce the Value of the funds and investments in such Account to less than the Debt Service Reserve Requirement therefor as of any Valuation Date, the Trustee will deposit in such Account of the Debt Service Reserve Fund, beginning on the Revenue Fund Distribution Date in the month following notice from the Trustee of such withdrawal, diminution in Value, or losses, and continuing on the Revenue Fund Distribution Date in each of the 11 consecutive months thereafter, an amount equal to 1/12th of the amount of such withdrawal, diminution in Value, or losses, in all instances necessary to restore the amount in such Account of the Debt Service Reserve Fund to the Debt Service Reserve Requirement therefor.

(6) Sixth Repair and Replacement Fund

The Trustee shall deposit in the Repair and Replacement Fund:

(i) beginning on the Revenue Fund Distribution Date in the month following any withdrawal to pay Debt Service on the Bonds, and continuing on the Revenue Fund Distribution Date in each of the 11 consecutive months thereafter, the greater of (A) the lesser of 1/12th of the amount of such withdrawal or such amount that is necessary to reimburse the Repair and Replacement Fund for all such withdrawals, or (B) such amount as shall be directed in writing by the Borrower;

(ii) beginning on the Revenue Fund Distribution Date in the first month following the Completion Date of any part of the Project an amount in equal monthly installments necessary to equal the annual amounts (or portion thereof for the partial Annual Period in which such part of the Project is completed) set forth on Schedule 6.07(e) to this Indenture and any and all additional amounts required to be deposited therein following a Periodic Project Assessment in accordance with Section 6.07 hereof.

(7) Seventh Additional Bond Funds

The Trustee will deposit in the appropriate Indenture Fund or Indenture Funds, other than the Operations Contingency Fund and the Surplus Fund, any and all additional amounts required to be deposited into such Indenture Fund or Indenture Funds by any amendment or amendments to the Lease Agreement executed in connection with the issuance of Additional Bonds on the date(s) specified therein (all as directed in writing to the Trustee by the Borrower).

(8) Eighth Operations Contingency Fund

The Trustee will deposit in the Operations Contingency Fund all amounts which are on deposit in the Revenue Fund on the last Business Day of each month; provided no Event of Default shall have occurred and be continuing.

Section 6.04 Bond Fund.

(a) The Authority authorizes and directs the Trustee to establish in the Bond Fund a separate Account for each series of Bonds simultaneously with the issuance of such Bonds. The amounts in each Account of the Bond Fund shall be allocated to, and applied only to pay the Debt Service on, the series of Bonds for which such Account was established.

(b) The Authority authorizes and directs the Trustee to credit to, or deposit in, each of the Accounts of the Bond Fund, when and as received, pro-rata in proportion to the amounts available therefor, without preference or priority of any Account or series of Bonds over another:

(1) all amounts required to be deposited in the Bond Fund pursuant to this Indenture, including without limitation from (i) the Revenue Fund, (ii) the Indenture Funds described in Section 6.04(d), (iii) the Debt Service Reserve Fund (Section 6.05(d) and (e), (iv) the Operations Contingency Fund (Section 6.09(a)(3)), and (v) Section 6.11, and;

(2) the amount required to be deposited therein by any of the other Bond Documents, including without limitation Sections 7.02 and 8.05 of the Lease Agreement; and

(3) all amounts delivered to the Trustee from any Person (including without limitation the University) with written instructions to deposit such amounts in a specified Account of the Bond Fund.

(c) The amount on deposit in, or credited to, each Account of the Bond Fund shall never exceed the Bond Fund Account Requirement therefor. The Trustee shall, on each date of deposit of any amount in an Account of the Bond Fund, determine the Value of the funds and investments credited thereto and transfer the amount therein, if any, by which the Value of such funds and investments in such Account on such date exceeds the Bond Fund Account Requirement for such Account first to the Account of the Debt Service Reserve Fund for such series of Bonds to the extent the Debt Service Reserve Requirement for such Account exceeds the value of the amounts then on deposit in such Account and second to, to the extent of any remaining excess amount, the Redemption Fund.

(d) The Authority authorizes and directs the Trustee to apply the amounts in each Account of the Bond Fund to the payment of Debt Service becoming due and payable on each Stated Interest Payment Date and each Stated Principal Payment Date on the series of Bonds for which such Account was established, provided, if on any such payment date there are insufficient funds in any Account of the Bond Fund to pay Debt Service then due on the Bonds payable from such Account, the Trustee will transfer to such Account, pro-rata in proportion to the amounts available for such deposits in all Accounts for which such a deficiency exists, without preference or priority of any Account or series of Bonds over another, an amount equal to such insufficiency from the following Indenture Funds in the following order of priority, if and to the extent funds are available therefrom: first, the Surplus Fund, second, the Operations Contingency Fund, third, the Repair and Replacement Fund, and fourth, the Account of the Debt Service Reserve Fund for such Bonds; provided, further, if, after such transfers the amount in any Account of the Bond Fund is insufficient to pay in full when due the Debt Service payable from such Account on any Stated Interest Payment Date or Stated Principal Payment Date, the Authority authorizes and directs the Trustee to apply the amounts in such Account first to the payment of the interest component of such Debt Service (or if available amounts are insufficient, to the proportionate payment thereof without preference or priority) and second to the payment of the principal component of such Debt Service (or if available amounts are insufficient, to the proportionate payment thereof without preference or priority).

(e) The Authority authorizes and directs the Trustee to apply, anything in this Indenture to the contrary notwithstanding, (i) all amounts transferred to, or deposited in, each Account of the Bond Fund to the payment of the Bonds for which such Account was established within 13 months of the date of such deposit or transfer and (ii) all income and profits received from the investment of amounts in such Account to the payment of the Bonds for which such Account was established within 12 months of the date of receipt thereof.

(f) The Authority authorizes and directs the Trustee to transfer funds from the Bond Fund to:

(1) the Redemption Fund pursuant to Section 6.02(d) and (e); and

(2) the Rebate Fund as provided, and in the order of transfers, in Section 12.02(h).

Section 6.05 Debt Service Reserve Fund.

- (a) The Authority authorizes and directs the Trustee to establish in the Debt Service Reserve Fund a separate Account for each series of Bonds simultaneously with the issuance of such Bonds.
- (b) The amounts in each Account of the Debt Service Reserve Fund for a series of Bonds shall be applied as provided in the Supplemental Indenture for such series of Bonds.
- (c) The Authority authorizes and directs the Trustee to credit to, or deposit in, each of the Accounts of the Debt Service Reserve Fund, when and as received:
- : (1) the amount for such Account specified in the Supplemental Indenture for the series of Bonds for which such Account was created; and
- (2) pro- rata in proportion to the amounts available therefor, without preference or priority of any Account or series of Bonds over another, all amounts required to be deposited in the Accounts of the Debt Service Reserve Fund pursuant to this Indenture, including without limitation from the (i) Revenue Fund, (ii) Bond Fund, and (iii) Section 6.11; and
- (3) the amount required to be deposited in a specified Account by any Supplemental Indenture or any of the other Bond Documents; and
- (4) all amounts delivered to the Trustee from any Person with written instructions to deposit such amounts in a specified Account of the Debt Service Reserve Fund.
- (d) The amount on deposit in, or credited to, each Account of the Debt Service Reserve Fund shall never exceed the Debt Service Reserve Requirement provided in the Supplemental Indenture for the series of Bonds for which such Account was established. The Trustee shall, on each Valuation Date, determine the Value of the funds and investments credited thereto and transfer the amount therein, if any, by which the Value on such date of such funds and investments in such Account exceeds the Debt Service Reserve Requirement for such Account first to the Account of the Bond Fund for such series of Bonds to the extent the Bond Fund Account Requirement for such account exceeds the value of the amounts then on deposit in such Account and second, to the extent of any remaining excess, to the Redemption Fund.
- (e) The Authority hereby authorizes and directs the Trustee to transfer funds from an Account of the Debt Service Reserve Fund to the corresponding Account of the Bond Fund for the Bonds for which such Account of the Debt Service Reserve Fund was created as provided, and in the order of transfers, in Section 6.04(d).
- (f) The Authority authorizes and directs the Trustee to transfer funds from the Bond Fund to (i) the Redemption Fund pursuant to Section 6.02(d) and (e) and (ii) the Rebate Fund as provided, and in the order of transfers, in Section 12.02(h).
- (g) The Authority hereby authorizes and directs the Trustee, upon written direction from an Authorized Borrower Representative, to transfer all funds from an Account of the Debt Service Reserve Fund to the corresponding Account of the Bond Fund for the Bonds for which such Account of the Debt Service Reserve Fund was created prior to, or on, the final maturity date, or the date fixed for redemption in whole, of all Bonds payable from such Account in the Bond Fund for application to the payment of Debt Service on such Bonds on such final maturity date or redemption date.

Section 6.06 Redemption Fund.

- (a) The Authority authorizes and directs the Trustee to establish a separate Account within the Redemption Fund for (i) each series of Bonds simultaneously with the issuance thereof and (ii) for any amounts transferred to the Redemption Fund from the Surplus Fund.
- (b) The Authority authorizes and directs the Trustee to credit to, or deposit in, each of the Accounts of the Redemption Fund, when and as received, pro-rata in proportion to the amounts available therefor, without preference or priority of any Account or series of Bonds over another:
- (1) all amounts required to be deposited in the Redemption Fund pursuant to this Indenture, including without limitation from (i) Section 6.02(d) and (e), (ii) the Bond Fund (Section 6.04(c)), (iii) the Debt Service Reserve Fund (Section 6.05(d)), and (iv) Section 6.11; and
- (2) all amounts required to be deposited in the Redemption Fund pursuant to any of the other Bond Documents, including without limitation Sections 4.05, 7.02(b)(1)(iii), 8.02, 9.01, 9.02, and Article 13 of the Lease Agreement; and
- (3) all amounts delivered to the Trustee by any Person with written directions to deposit such amounts in a specified Account of the Redemption Fund.
- (c) The amounts in each Account of the Redemption Fund shall be allocated and applied to pay the Redemption Price on each date fixed for redemption of:
- (1) for any series of Tax-Exempt Bonds, the series of Bonds for which such Account was established and
- (2) for any series of Taxable Bonds, such series of Taxable Bonds and such other series of Bonds as may be provided in the Supplemental Indenture which shall have created such Taxable Bonds.

Section 6.07 Repair and Replacement Fund

(a) The Authority authorizes and directs the Trustee to credit to, or deposit in, the Repair and Replacement Fund, when and as received:

- (1) all amounts required to be deposited in the Repair and Replacement Fund pursuant to this Indenture, including without limitation (i) the Revenue Fund, and (ii) Section 6.11; and
- (2) all amounts required to be deposited in the Repair and Replacement Fund pursuant to any of the other Bond Documents; and
- (3) all amounts delivered to the Trustee from any Person with written instructions to deposit such amounts in the Repair and Replacement Fund.

(b) The Authority hereby authorizes and directs the Trustee:

- (1) to withdraw funds from the Repair and Replacement Fund to pay the maintenance and repair costs related to the Project that the Borrower is obligated to pay under the Lease Agreement or, to the extent that the Net Proceeds are insufficient for such purposes, to the costs of restoration or replacement of the Project (or any portion thereof) under the Lease Agreement, upon receipt of a requisition substantially in the form attached hereto as Schedule 6.07(b) which, by this reference thereto, is incorporated herein, executed by an Authorized Borrower Representative; and
 - (2) if, and to the extent, necessary to prevent an Event of Default under Section 7.01(1), to transfer funds from the Repair and Replacement Fund to the Bond Fund as provided, and in the order of transfers, in Section 6.04(d), without requisition or instruction from any Person; and
 - (3) to transfer funds from the Repair and Replacement Fund to the Rebate Fund as provided, and in the order of transfers, in Section 12.02(h).
- (c) Amounts deposited but not used in any year will remain in the Repair and Replacement Fund and continue to be available for the purposes authorized under this Section.
- (d) The amounts in the Repair and Replacement Fund are for the purposes described in Section 6.07(b)(1) and the Authority is not, anything in the Bond Documents to the contrary notwithstanding, required to maintain any amount in the Repair and Replacement Fund for the purposes of payment of Debt Service on any of the Bonds.
- (e) The Repair and Replacement Fund Requirement is set forth on Schedule 6.07(e).

Section 6.08 Insurance Fund and Condemnation Fund.

(a) The Authority authorizes and directs the Trustee to establish the Insurance Fund and Condemnation Fund the funds are required to be deposited therein as provided in the Lease Agreement, including without limitation Sections 4.05, 6.01, 9.01, and 9.02 thereof, and Section 6.11 of this Indenture.

(b) The Trustee will establish within the Insurance Fund, and within the Condemnation Fund, a separate Account for each series of Bonds Outstanding.

(c) The Authority authorizes and directs the Trustee to disburse funds held in the Insurance Fund or in the Condemnation Fund in accordance with the Lease Agreement on receipt of a requisition for payment substantially in the form attached hereto as Schedule 6.08 which, by this reference thereto, is incorporated herein, executed by an Authorized Borrower Representative.

(d) All amounts required to be deposited in the Insurance Fund or in the Condemnation Fund in accordance with the Lease Agreement will, anything in the Bond Documents to the contrary notwithstanding, be deposited in the applicable Account thereof, and, prior to the occurrence of an Event of Default, any amounts in an Account of the Insurance Fund or the Condemnation Fund shall be used only to restore that portion of the Project in respect of which such Account was established, to acquire land and/or improvements in substitution for that portion of the Project in respect of which such Account was established, or to make payments on the series of Bonds in respect of which such Account was established.

(e) The Authority authorizes and directs the Trustee to transfer funds from the Insurance Fund and the Condemnation Fund to the Redemption Fund pursuant to Section 6.02(d) and (e).

(f) The amounts in the Insurance Fund and the Condemnation Fund are for the purposes described in this Section and the Authority is not, anything in the Bond Documents to the contrary notwithstanding, required to maintain any amount in the Insurance Fund or the Condemnation Fund for the purposes of payment of Debt Service on any of the Bonds.

Section 6.09 Operations Contingency Fund.

- (a) The Authority authorizes and directs the Trustee to apply the funds in the Operations Contingency Fund:
- (1) to pay Expenses of the Project, and Capital Expenditures or repairs and replacements for the Project, that are not included in the Annual Budget, at any time and from time to time, upon receipt of a requisition for payment substantially in the form of Schedule 6.09 attached hereto which, by this reference thereto, is incorporated herein, executed by an Authorized Borrower Representative; and
 - (2) if and to the extent there are insufficient funds in the Revenue Fund to make the deposits and transfers required by the Revenue Fund on any Revenue Fund Distribution Date, to transfer funds to the Revenue Fund, prior to the use of any amount in any other Indenture Fund therefor, provided, however, notwithstanding any provisions of Section 6.03, at any time and from time to time, upon requisition of the Borrower and certified by the Manager, the Trustee is permitted to withdraw funds from the Operations Contingency Fund to fund any expected shortfalls in amounts necessary to ensure a minimum balance requirement in the Operating Account that is consistent with the minimum balance requirement described in Section 6.03(b)(3); and
 - (3) if and to the extent necessary to prevent an Event of Default under Section 7.01(l), to transfer to the Bond Fund as provided, and in the order of transfers, in Section 6.04(d), without requisition or instruction from any Person; and
 - (4) to transfer funds to the Rebate Fund as provided, and in the order of transfers, in Section 12.02(h); and
 - (5) on the last Business Day of each Annual Period:
 - (i) to retain in the Operations Contingency Fund an aggregate amount equal to:
 - (A) the amount of pecuniary obligations of the Borrower incurred pursuant to the Bond Documents which are outstanding and unpaid and of which the Trustee shall have received notice; and
 - (B) an amount equal to twenty-five percent (25%) of the aggregate Expenses (budgeted for the next succeeding Annual Period); and
 - (ii) to transfer to the Surplus Fund the amount, if any, by which the amount of funds then on deposit in the Operations Contingency Fund exceed the amounts described in Section 6.09(a)(5)(i).
 - (b) The amounts in the Operations Contingency Fund are for the purposes described in this Section and the Authority is not, anything in the Bond Documents to the contrary notwithstanding, required to maintain any amount in the Operations Contingency Fund for the purposes of payment of Debt Service on any of the Bonds.

Section 6.10 Surplus Fund.

- (a) The Authority authorizes and directs the Trustee to deposit funds in the Surplus Fund as provided in Section 6.09(a)(5).
- (b) The Authority authorizes and directs the Trustee to transfer funds from the Surplus Fund as follows:
- (1) to the Revenue Fund if and to the extent there are insufficient funds in the Revenue Fund and the Operations Contingency Fund to make the deposits and transfers required by the Revenue Fund on any Revenue Fund Distribution Date; and
 - (2) to the Rebate Fund as provided, and in the order of transfers, in Section 12.02(h); and
 - (3) if, and to the extent, necessary to prevent an Event of Default under Section 7.01(l), to transfer funds from the Surplus Fund to the Bond Fund as provided, and in the order of transfers, in Section 6.04(d), without requisition or instruction from any Person; and
 - (4) to the University, pursuant to the Ground Lease, within 15 Business Days of receipt by the Trustee of (i) the annual financial statements and Audit Report for the most recently ended Annual Period that includes a calculation for the most recently ended Annual Period that indicates a Fixed Charges Coverage Ratio of at least 1.20 and (ii) written instructions to the Trustee from an Authorized Borrower Representative and approved by the University (which shall include specific information regarding the calculation of the Fixed Charges Coverage Ratio and the specific amounts to be transferred); provided, however, the Trustee shall determine before any such transfer shall be made that no Event of Default shall have occurred and be continuing; any amounts withdrawn from the Repair and Replacement Fund to pay Debt Service on the Bonds shall have been reimbursed in full; all amounts required to restore the Debt Service Reserve Fund to the Debt Service Reserve Requirement for each Account thereof shall have been paid in full; all amounts for any unbudgeted operating expenses, Capital Expenditures or repair and replacement of Equipment or other components of the Project that have been incurred for the Project shall have been paid in full; and (v) all amounts then due and owing to each Bond shall have been paid in full; provided, however, to the extent any amounts in the Surplus Fund may not be transferred or distributed under this Section, all such amounts will remain therein until such time as (i) the Borrower demonstrates, by the delivery of annual financial statements, an Audit Report, and an accompanying calculation, a Fixed Charges Coverage Ratio of at least 1.20 or (ii) such funds are otherwise applied in accordance with this Section.
 - (c) The amounts in the Surplus Fund are for the purposes described in this Section and the Authority is not, anything in the Bond Documents to the contrary notwithstanding, required to maintain any amount in the Surplus Fund for the purposes of payment of Debt Service on any of the Bonds.

Section 6.11 Investment of and Security for the Indenture Funds

- (a) The amounts in the Indenture Funds are public funds impressed with a trust for the purposes thereof. The Trustee shall keep the amounts in each of the Indenture Funds continuously secured by such investments or collateral, or in such manner, as permitted or required by Applicable Law for the security of public trust funds; provided the Trustee shall not be required to secure any amount in any Indenture Fund (i) to the extent such amount is insured by the Federal Deposit Insurance Corporation (or any instrumentality of the United States of America that may succeed to the functions thereof) or (ii) invested in Permitted Investments.
- (b) The Authority authorizes and directs the Trustee to invest the amounts in the Indenture Funds in accordance with this Indenture and the written instructions of the Borrower, in Permitted Investments to the extent consistent with the purposes of each such Indenture Fund and subject to the provisions of Section 6.11 (c); provided:
- (1) amounts in the Bond Fund and the Debt Service Reserve Fund shall be invested only in U. S. Government Obligations ; and
 - (2) amounts in any Account of the Redemption Fund for the benefit of Tax-Exempt Bonds shall be invested only in U. S. Government Obligations at a yield less than the yield on such Bonds; and
 - (3) amounts in any Account of the Insurance Fund for the benefit of Tax-Exempt Bonds shall be invested only in U. S. Government Obligations at a yield less than the yield on such Bonds; and
 - (4) amounts in any Account of the Condemnation Fund for the benefit of Tax-Exempt Bonds shall be invested only in U. S. Government Obligations at a yield less than the yield on such Bonds;
 - (5) amounts in the Operations Contingency Fund shall be invested only in U. S. Government Obligations at a yield less than the yield on such Bonds; and
 - (6) amounts in the Surplus Fund be invested only in U. S. Government Obligations at a yield less than the yield on such Bonds; and
 - (7) the Authority may provide in any Supplemental Indenture that any amounts in any Account of the Bond Fund or the Debt Service Reserve Fund may not be invested or may be invested subject to stated limitations or restrictions.
- (c) All Permitted Investments shall be under the control of the Trustee and shall be credited solely to the Indenture Fund from which funds were used to acquire such investments; provided:
- (1) all income and profits from Permitted Investments credited to an Indenture Fund shall be deposited in, or credited to, such fund and all losses resulting therefrom shall be charged to such fund; and
 - (2) the Trustee shall, as long as the amount in any Account of the Debt Service Reserve Fund is equal to the Debt Service Reserve Requirement therefor, transfer all income and profits derived from the investment of such Account:
 - (i) prior to the Completion Date for the portion of the Project financed by the series of Bonds for which such Account was established, to the Construction Fund (including the several accounts thereof, as directed in writing by an Authorized borrower Representative) for such series of Bonds; and
 - (ii) from and after such Completion Date, as provided in Section 6.05.
- (d) The Trustee may conclusively rely upon the written instructions of an Authorized Borrower Representative as to the legality and feasibility of all directed investments. Ratings of investments shall be determined at the time of purchase of such investments and without regard to ratings subcategories. The Trustee shall not be required to monitor the ratings of investments after the initial purchase thereof. The Trustee may make any and all investments through its investment department at customary charges therefor. The Trustee shall not be liable for the investment of amounts in the Indenture Funds in the absence of written instructions from the Borrower. The Authority agrees that broker confirmations are not required to be issued by the Trustee for each month in which a monthly statement is issued by the Trustee. The Trustee shall not be liable or responsible for any loss resulting from any such investment or for failure to make an investment (except failure to make an investment in accordance with the written direction of an Authorized Borrower Representative) except to the extent such loss is attributable to the Trustee's gross negligence, willful misconduct or violation of Applicable Law. The Trustee shall not be liable or responsible for any consequence or loss which may occur as a result of an investment made pursuant to Section 6.11(b)(2) through (6), inclusive, at a yield greater than the yield on any Bonds which are Tax-Exempt Bonds.
- (e) The Authority authorizes and directs the Trustee to liquidate the investments in any Account or Indenture Fund when and to the extent necessary for the purposes thereof.

Section 6.12 Valuation of Indenture Funds

The Trustee shall make a valuation of the Permitted Investments in the Indenture Funds on each Valuation Date. The value of each Authorized Investment shall be determined at the fair market value thereof (exclusive of accrued interest) and marked to market.

ARTICLE 7

Events of Default and Remedies

Section 7.01 Events of Default.

The occurrence of any one or more of the following events constitutes an "Event of Default" under this Indenture (whatever the reason for such event and whether it shall be voluntary or involuntary or effected by operation of law or pursuant to action:

- (1) the failure to pay in full when due any amount of the Debt Service becoming due and payable on any Bond on:
 - (i) any Stated Interest Payment Date; or
 - (ii) any Stated Principal Payment Date (by maturity or mandatory redemption); or
 - (iii) any date established for extraordinary redemption; or
- (2) the failure to perform in a punctual manner any other of the covenants, conditions, agreements, or provisions contained in this Indenture or any agreement supplemental hereto and the continuation of such failure for 30 days after receipt by the Authority of a written notice from the Trustee specifying such failure and requiring the same to be remedied; provided, however, that if such performance requires work to be done, action to be taken, or conditions to be remedied that by their nature cannot reasonably be done, taken, or remedied, as the case may be, within such 30 day period, no Event of Default will be deemed to have occurred or to exist if, and so long as, the Authority begins such performance within such period and diligently and continuously prosecutes the same to completion; or
- (3) the occurrence under any of the Security Documents of any event of default (as defined therein); or
- (4) the occurrence under any of the Covered Parity Debt Documents of an event of default (as defined therein).

Section 7.02 Remedies

(a) On the occurrence and continuance of any Event of Default under subsection (1) of Section 7.01, the Trustee may, and, on the written request of the Majority of the Owners, will, by notice in writing to the Authority, the Borrower, and, the Dissemination Agent, declare the principal of all Outstanding Bonds (if not then due and payable) to be due and payable immediately, and on such declaration, the same will become and be immediately due and payable, whereupon interest on the Bonds will cease to accrue, and the Trustee will promptly notify the Owners of the Bonds and each Rating Agency of such declaration and that interest on the Bonds has ceased to accrue on and as of the date of such declaration, provided, however, if at any time after the principal of the Bonds is so declared to be due and payable, and before the entry of final judgment or decree in any suit, action, or proceeding instituted on account of such Event of Default, or before the completion of the enforcement of any other remedy under this Indenture, money has accumulated in the Bond Fund sufficient to pay the principal of all matured Bonds and all arrearages of interest, if any, on all Bonds then Outstanding (except the principal of any Bonds not then due and payable by their terms and the interest accrued on such Bonds since the last Interest Payment Date), and the charges, compensations, expenses, disbursements, advances, and liabilities of the Trustee and all other amounts then payable by the Authority hereunder are paid or a sum sufficient to pay the same is deposited with the Trustee, and every other failure known to the Trustee in the observance or performance of any covenant, condition, or agreement contained in the Bonds, in this Indenture (other than a failure to pay the principal of such Bonds then due only because of a declaration under this Section), and in the other Bond Documents is remedied to the satisfaction of the Trustee, then and in every such case, the Trustee may, and on the written request of the Majority of the Owners of the Outstanding Bonds not then due and payable by their terms (Bonds then due and payable only because of a declaration under this Section will not be deemed to be due and payable by their terms) will, by written notice to the Authority, the Borrower, the Owners of the Bonds, each Rating Agency, and, rescind and annul such declaration and its consequences, but no such rescission or annulment will extend to or affect any subsequent Event of Default or impair any right consequent thereon.

(b) The Trustee shall have the right in the name of the Authority to declare an event of default, and exercise any remedies, under the Lease Agreement, including without limitation the acceleration of Lease Payments, and institute and maintain any available proceedings against the Borrower and any other Person liable for the payment thereof.

(c) The Trustee shall have and may exercise all rights and remedies available under Applicable Law for the enforcement of the Bond Documents and the protection of the interests of the Owners.

(d) The Trustee may, subject to the terms of this Indenture, proceed to protect and enforce its rights and the rights of the Owners by any suit, action or proceeding at law or in equity, including but not limited to an action for mandamus, or for specific performance of any agreement or covenant in this Indenture, or for enforcing payment and collection of any revenues due under the Bond Documents, or for making a demand for payment from the Authority or the Borrower, or for taking action pursuant to any other document to which the Trustee is a party by signature, assignment, operation of law, or otherwise, or in execution or aid of any power granted in this Indenture or for the enforcement of any other proper, legal or equitable remedy, as the Trustee, being advised by Independent Counsel, shall deem most effectual to protect and enforce its rights and the rights of the Owners under this Indenture.

(e) The Trustee may institute and maintain such proceedings as it may deem expedient to prevent any impairment of the Trust Estate by any acts which may be unlawful or in violation of this Indenture and to protect its interests and the interests of the Owners in the Trust Estate and in the issues, profits, revenues and other income arising therefrom, including power to institute and maintain proceedings to restrain the enforcement of or compliance with any governmental enactment, rule or order that may be unconstitutional or otherwise invalid, if the enforcement of or compliance with such enactment, rule or order would impair the security under this Indenture or be prejudicial to the interests of the Owners or the Trustee.

Section 7.03 Application of Remedy Proceeds and Indenture Funds Upon Event of Default

(a) Application of Funds Upon Event of Default Before Acceleration of Bonds

The Authority authorizes and directs the Trustee, upon the occurrence of an Event of Default and if the principal of all Bonds Outstanding shall not have become, or shall not have been declared, due and payable, to apply all Remedy Proceeds and all amounts in the Bond Fund, after payment of all amounts which are due and owing to the Trustee under Section 9.02, in the following order for the payment, as provided in this Indenture, of the Bonds Outstanding:

First to the payment to the persons entitled thereto of all installments of interest on Bonds then due and payable in the order in which such installments became due and payable and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment, ratably according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or preference except as to any difference in the respective rates of interest specified in such Bonds;

Second to the payment to the persons entitled thereto of the unpaid principal of any Bonds that shall have become due and payable in the order of their due dates, and, if the amount available shall not be sufficient to pay in full the principal of Bonds due and payable on any particular date, then to the payment ratably according to the amount of such principal due on such date, to the persons entitled thereto without any discrimination or preference;

Third to the payment of the interest on and the principal of Bonds, to the purchase and retirement of Bonds, and to the redemption of Bonds, all in accordance with this Indenture; and

(b) Application of Remedy Proceeds Upon Event of Default After Acceleration of Bonds

The Authority authorizes and directs the Trustee, upon the occurrence of an Event of Default and the consequent declaration by the Trustee that the principal of all Bonds Outstanding are due and payable, to apply all Remedy Proceeds as provided in Section 6.02(e).

(c) General

Whenever money is to be applied by the Trustee under this Section, the Trustee will apply such money at such times as the Trustee in its sole discretion determines, having due regard for the amount of such money available for such application and the likelihood of additional money becoming available for such application in the future; the setting aside of such money, in trust for the proper purpose, constitutes proper application by the Trustee, and the Trustee will incur no liability whatsoever to the Authority, the Borrower, the University and any Owner or to any other Person for any delay in applying any such money so long as the Trustee acts with reasonable diligence, and ultimately applies the same in accordance with this Indenture as may be applicable at the time of application by the Trustee. Whenever the Trustee exercises such discretion in applying such money, it will set the date (which must be as Stated Interest Payment Date unless the Trustee deems another date more suitable) on which such application is to be made. The Trustee will give notice by first class mail, postage prepaid, to all Owners of the setting of any such date, and will not be required to make payment to the Owner of any Bonds until such Bonds are surrendered to the Trustee for cancellation if fully paid.

Section 7.04 Effect of Discontinuance of Proceedings

If the Trustee or any Owner shall have instituted any proceeding to enforce any right or remedy under this Indenture and such proceeding shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Trustee or to such Owner, then and in every such case the Authority, the Trustee and the Owners shall, subject to any determination in such proceeding, be restored to their former positions under this Indenture, and thereafter all rights and remedies of the Trustee and the Owners shall continue as though no such proceeding had been instituted.

Section 7.05 Enforcement of Rights of Action.

All rights of action (including the right to file proof of claim) under this Indenture or under any Bonds may be enforced by the Trustee without the possession of any Bonds or the production thereof in any proceedings relating thereto, and any such suit or proceedings instituted by the Trustee must be brought in its name as Trustee, without the necessity of joining as plaintiffs or defendants any Owners hereby secured, and any recovery of judgment will be for the equal benefit of the Owners.

Section 7.06 Waivers of Past Defaults under this Indenture

(a) The Majority Owners may waive any Event of Default under this Indenture and its consequence except a default (i) in the payment of Debt Service on any Bond or (ii) in respect of any covenant or provision of this Indenture which under Article 8 cannot be modified or amended without the consent, by Act, of the Owner of each Bond affected.

(b) Upon any such waiver, such default shall cease to exist, and an Event of Default arising therefrom shall be deemed to have been cured, for every purpose of this Indenture; but no such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

Section 7.07 General Availability of Remedies

(a) No right or remedy in this Indenture conferred upon or reserved to the Trustee or to the Owners is intended to be exclusive of any other right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given under this Indenture or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy under this Indenture, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

(b) No delay or omission of the Trustee or of any Owner of any Bond to exercise any right or remedy accruing upon an Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence in this Indenture. Every right and remedy given by this Article or by law to the Trustee or to the Owners may be exercised from time to time, and as often as may be deemed expedient, by the Trustee or by the Owners.

ARTICLE 8**Amendment of Documents**

Section 8.01 Amendments to Indenture and Supplemental Indentures Not Requiring Consent of the Owners.

(a) The Authority and the Trustee may, without the consent of or notice to any of the Owners, enter into an amendment to this Indenture or an indenture supplemental to this Indenture for any one or more of the following purposes:

- (1) to provide for the issuance of any Bond or series of Bonds pursuant to this Indenture; or
- (2) to cure any error, ambiguity, or formal defect or omission in, or to correct or any supplement any defective provision of, this Indenture,
- (3) to add to the covenants of the Authority for the benefit of the Owners and to make the occurrence, or the occurrence and continuance, of a default in any of such additional covenants an Event of Default permitting the enforcement of all or any of the several remedies provided in this Indenture; provided, however, that with respect to any such covenant, such Supplemental Indenture may provide for a particular period of grace after default (which period may be shorter or longer than that allowed in the case of other defaults) or may provide for an immediate enforcement upon such default or may limit the remedies available to the Trustee upon such default; or
- (4) to evidence the succession of another Person to the Authority or the Trustee and the assumption by any such successor of the agreements thereof under the Bond Documents; or
- (5) to grant to or confer on the Trustee for the benefit of the Owners any additional rights, remedies, powers, benefits, security, liabilities, duties, or authority that may lawfully be granted to or conferred or imposed on the Owners or the Trustee or either of them,
- (6) to subject to the Lien of this Indenture or any of the Bond Documents additional revenues, properties, or collateral,
- (7) to modify, amend, or supplement this Indenture or any indenture supplemental hereto in such manner as to permit the qualification hereof and thereof under the Trust Indenture Act of 1939, as amended, or any similar federal statute hereafter in effect or to permit the qualification of any Bonds for sale under the securities laws of any state, and, if they so determine, to add to this Indenture or any indenture supplemental hereto such other terms, conditions, and provisions as may be permitted by the Trust Indenture Act of 1939, as amended, or any similar federal statute,
- (8) to modify, amend, or supplement this Indenture in such manner as to assure the continued exclusion of the interest on any Tax-Exempt Bonds from the gross income of the Owners thereof for federal income tax purposes,

(9) to modify, amend, or supplement this Indenture in such a manner as necessary in connection with the appointment of a successor Securities Depository hereunder;

(10) to secure or maintain ratings from a Rating Agency, provided that (i) the changes necessary to obtain or secure such ratings shall not have a material adverse effect upon the interests of the Owners of the Bonds and (ii) the Trustee receives an opinion of Independent Counsel to the effect that such changes are permitted by Applicable Law and will not cause the interest on any of the Tax-Exempt Bonds to be or become Taxable; or

(11) to comply with any provisions of the Securities Act, the Exchange Act, or any rules or regulations promulgated thereunder; or

(12) to reflect a change in Applicable Law provided that the Trustee determines that such amendment or Supplemental Indenture does not materially adversely affect the Owners; or

(13) to make any other change herein that, in the judgment of the Trustee does not prejudice the Trustee or materially adversely affect the Owners; or

(14) to modify or delete any provisions of this Indenture provided such modification or deletion shall be, and shall be expressed to be, effective only after all Outstanding Bonds the Owners of which shall not have consented to such change shall have ceased to accrue interest; or

(15) to make further provisions with respect to the administration and operation of a Book-Entry System.

(b) The Authority and the Trustee will, without the consent of or notice to any of the Owners, enter into an amendment to this Indenture or an indenture supplemental to this Indenture (i) in connection with the issuance of any Additional Bonds and the inclusion of additional Security in connection therewith, (ii) to the extent necessary for the land and interests in land, buildings, furnishings, machinery, equipment, and all other real and personal property that may form a part of the Project, so as to identify the same more precisely or to substitute or add additional land or interests in land, buildings, furnishings, machinery, equipment, or real or personal property as Security or (iii) for any changes required to be made in the description of the Security to conform with similar changes made in the Lease Agreement.

(c) In making any judgment or determination under this Section, the Trustee may, as to matters of law, conclusively rely on an Opinion of Counsel.

Section 8.02 Amendments to Indenture and Supplemental Indentures Requiring Consent of the Owners.

(a) Exclusive of amendments and indentures supplemental hereto governed by Section 8.01 and subject to the terms and provisions contained in this Section and not otherwise, a Super-Majority of the Owners has the right, from time to time, anything contained in this Indenture to the contrary notwithstanding, to consent to and approve the execution by the Authority and the Trustee of an amendment to this Indenture or such indenture supplemental hereto as deemed necessary and desirable by the Authority for the purpose of modifying, altering, amending, adding to, or rescinding, in any particular, any of the terms or provisions contained in this Indenture, in any amendment to this Indenture, or in any Supplemental Indenture; provided, however, that nothing contained in this Section will permit, or be construed as permitting:

(1) change or consent to the extension of the stated maturity of the principal of, or any installment of interest on, any Bond, or reduce the principal amount thereof or the interest thereon or any premium payable upon the redemption or prepayment thereof, or change the coin or currency in which any Bond, or the interest thereon is payable, or change the mandatory redemption schedule applicable to any Bonds, or impair the right to institute suit for the enforcement of any such payment on or after the stated maturity thereof (or, in the case of redemption or prepayment, on or after the redemption or prepayment date); or

(2) permit the creation of any Lien ranking prior to or on a parity with the Lien of this Indenture with respect to the Trust Estate or any part thereof or terminate the Lien of this Indenture on any property at any time subject hereto or deprive the Owner of any Bond of the security afforded by the Lien of this Indenture; or

(3) the modification of the trusts, powers, obligations, remedies, privileges, rights, duties, or immunities of the Trustee, without the written consent of the Trustee, or

(4) a privilege or priority of any Bond or Bonds over any other Bond or Bonds, without the consent of the Owners of all of the Bonds Outstanding, or

(5) the release hereof or requirements for the release hereof, without the consent of the Owners of all of Bonds Outstanding; or

(6) modify or alter any of the provisions of this Section except to increase any percentage provided or to provide that certain other provisions of this Indenture cannot be modified or waived without the consent of the Owner of each Bond affected thereby.

(b) If the Authority requests the Trustee to enter into any such amendment or Supplemental Indenture for any of the purposes allowed by this Section, the Trustee will, on being reasonably indemnified for expenses, cause notice of the proposed execution of such amendment or Supplemental Indenture to be given in substantially the manner provided in Section 5.05. Such notice will briefly set forth the nature of the proposed amendment or Supplemental Indenture and will state that copies thereof are on file at the Office of the Trustee for inspection by all Owners. If, within 60 days, or such longer period as reasonably prescribed by the Authority following the giving of such notice, a Super-Majority of the Owners shall have consented to and approved the execution thereof as herein provided, no Owner of any Bond shall have any right to object to any of the terms and provisions contained therein or to the operation thereof or in any manner to question the propriety of the execution thereof or to enjoin or restrain the Trustee or the Authority from executing the same or from taking any action under the provisions thereof. On the execution of any such amendment or Supplemental Indenture as in this Section permitted and provided, this Indenture will be and is deemed to be modified and amended in accordance therewith. The Trustee may rely on an Opinion of Counsel as conclusive evidence that execution and delivery of an amendment or Supplemental Indenture has been effected in compliance with the provisions of this Article.

(c) Anything herein to the contrary notwithstanding, if the Borrower is not in default under the Lease Agreement at such time, an amendment hereto or Supplemental Indenture under this Article that affects any rights or obligations of the Borrower or that changes the priority or use of money under this Indenture will not become effective unless and until the Borrower shall have consented to the execution and delivery of such amendment or Supplemental Indenture. In this regard, the Trustee will cause notice of the proposed execution and delivery of any such amendment or Supplemental Indenture, together with a copy of such amendment or Supplemental Indenture, to be mailed by certified or registered mail or personally delivered to the Borrower at least 15 days prior to the proposed date of execution and delivery of any such amendment or Supplemental Indenture. Under such circumstances, the Borrower is deemed to have consented to the execution and delivery of any such amendment or Supplemental Indenture if the Trustee has not received a letter of protest or objection thereto signed by or on behalf of the Borrower on or before the 15th day after the mailing of such notice and a copy of the proposed amendment or Supplemental Indenture.

(d) The Trustee is not obligated to sign any amendment or supplement to this Indenture or the Bonds as authorized by this Article if such amendment or supplement, in the judgment of the Trustee, might adversely affect the rights, duties, liabilities, protections, indemnities, or immunities of the Trustee. In signing any such amendment or supplement, the Trustee is entitled to receive, and is fully protected in relying on, an Opinion of Counsel.

Section 8.03 Amendments to Other Bond Documents Not Requiring Consent of the Owners.

(a) The Authority and the Trustee will, without the consent of or notice to the Owners, consent to any amendment, change, or modification of the Bond Documents other than this Indenture for any one or more of the following purposes: (i) as may be required by the provisions of the Lease Agreement or this Indenture, (ii) to provide for the issuance of Additional Bonds (iii) to cure any error, ambiguity, or formal defect or omission therein, or to correct or supplement any defective provision thereof, (iv) to add to the covenants and agreements of, and the limitations and restrictions on, the Borrower therein other covenants, agreements, limitations, and/or restrictions to be observed by the Borrower for the protection of the Owners or to surrender or limit any right or power herein reserved or conferred on the Borrower, (v) in connection with the land and interests in land, buildings, machinery, equipment, and other real or personal property described in Exhibits "A" and "B" to the Lease Agreement, the Leasehold Mortgage so as to identify more precisely the same or to substitute or add additional land or interests in land, buildings, machinery, equipment, or other real or personal property, (vi) to reflect a change in Applicable Law provided that the Trustee determines that such amendment, change, or modification does not materially adversely affect the Owners (vii) to amend, change, or modify such Bond Documents in such manner as to assure the interest on any Tax-Exempt Bonds will not be or become Taxable, (viii) to modify, amend, or change such Bond Documents in such a manner necessary in connection with the appointment of a successor Securities Depository under this Indenture, (ix) to modify, amend, or change such Bond Documents for the purpose of obtaining or retaining a rating on the Bonds or series of Bonds from a Rating Agency, (x) to substitute a new "Borrower" under the Lease Agreement as provided therein, (xi) to comply with any provisions of the Securities Act, the Exchange Act, or any rules or regulations promulgated thereunder, (xii) to provide for "ancillary improvements" (as defined in the Authorizing Act), (xiii) to provide for the respective duties, obligations and responsibilities of the Borrower and the University with respect to the acquisition and construction of any part of the Project, (xiv) to make any other change therein that, in the judgment of the Trustee and does not prejudice the Trustee or materially adversely affect the Owners or (xv) to modify or delete any provision provided such modification or deletion shall be, and shall be expressed to be, effective only after all Bonds Outstanding at the time such amendment is made shall have been Discharged.

(b) In making any judgment or determination under this Section, the Trustee may, as to matters of law, conclusively rely on an Opinion of Counsel.

Section 8.04 Amendments to Other Bond Documents Requiring Consent of the Owners.

(a) Except for the amendments, changes, or modifications as provided in Section 8.03, neither the Authority nor the Trustee will consent to any other amendment, change, or modification of the Bond Documents or any of them other than this Indenture without giving notice to and obtaining the written approval or consent of a Super-Majority of the Owners given and procured as in this Section provided; provided, however, that nothing in this Section or Section 8.03 will permit or be construed as permitting, (i) an extension of the time for payment of any amounts payable under the Lease Agreement or a reduction in the amount of any payment or in the total amount due under the Lease Agreement, without the consent of the Owners of all of Bonds Outstanding or (ii) a reduction in the aforesaid aggregate principal amount of Bonds the Owners of which are required to consent to any such amendment, change, or modification of such other Bond Documents, without the consent of the Owners of all of the Bonds at the time Outstanding. If at any time the Authority and the Borrower requests the consent of the Trustee to any such proposed amendment, change, or modification of such other Bond Documents, the Trustee will, on being satisfactorily indemnified for expenses, cause notice of such proposed amendment, change, or modification to be given in the same manner as provided by Section 5.05. Such notice will briefly set forth the nature of such proposed amendment, change, or modification and will state that copies of the instrument embodying the same are on file at the Office of the Trustee for inspection by all Owners. If, within 60 days, or such longer period prescribed by the Authority following the giving of such notice, the Trustee and a Super-Majority of the Owners shall have consented to and approved the execution thereof as herein provided, no Owner of any Bond has any right to object to any of the terms and provisions contained therein or to the operation thereof or in any manner to question the propriety of the execution thereof or to enjoin or restrain the Trustee from consenting to the execution thereof or to enjoin or restrain the Authority or the Borrower from executing the same or from taking any action under the provisions thereof. On the execution of any such amendment, change, or modification as in this Section permitted and provided, such other Bond Documents will be and are deemed to be modified, changed, and amended in accordance therewith.

(b) The Trustee is not obligated to sign any amendment or supplement to the Bond Documents if such amendment or supplement, in the judgment of the Trustee, might adversely affect the rights, duties, liabilities, protections, indemnities, or immunities of the Trustee. In signing any such amendment or supplement, the Trustee is entitled to receive, and is fully protected in relying on, an Opinion of Counsel.

(c) Notwithstanding anything contained in the Section to the contrary, no consent of any Bondholder or the Trustee is required (i) in connection with any amendment or modification of the Tax Agreement that is necessary, in the opinion of Tax Counsel, to provide the interest on any Tax-Exempt Bonds will not be or become Taxable, (ii) in connection with any amendment or modification of the Development Agreement or the Construction Agreement if such amendment or modification does not affect the obligation of the Developer or the contractor under the Project Acquisition Contracts to pay liquidated damages thereunder (including, without limitation, a delay of the commencement date or a decrease in the amount thereof) or (iii) in connection with any amendment or modification of the Development Agreement or the Construction Contract that either will not increase the Costs of the Project or, to the extent that the Costs of the Project will be increased by such modification or amendment, the Authorized Developer Representative has certified in writing to the Trustee that such increase is not in excess of the amount deposited into the Construction Fund in connection with such amendment or modification.

ARTICLE 9**The Trustee****Section 9.01 Acceptance of the Trusts**

(a) The Trustee hereby accepts the trusts and obligations imposed on it by this Indenture and by the other Security Documents, represents and covenants that it is fully empowered under applicable laws and regulations to accept said trusts and obligations, and agrees to perform said trusts and obligations, but only on and subject to the following express terms and conditions, and no implied covenants or obligations will be read into this Indenture or any of the other Bond Documents against the Trustee:

(b) The Trustee, prior to the occurrence of an Event of Default and after the waiving or curing of all Events of Default that may have occurred, undertakes to perform such duties and only such duties as are specifically set forth herein and in the other Bond Documents. In case an Event of Default of which the Trustee is notified or of which it is deemed to have knowledge has occurred (that has not been cured or waived), the Trustee will exercise such of the rights and powers vested in it by this Indenture and by the other Bond Documents, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

(c) The Trustee may execute any of the trusts or powers hereof and of the other Bond Documents and perform any of its duties by or through attorneys, accountants, agents, receivers, or employees, and is not responsible for the acts or omissions of any attorneys, accountants, agents, or receivers appointed by it or any of its officers, employees or agents with due care in good faith and without negligence, and is entitled to advice of counsel concerning all matters of trusts hereof and of the other Bond Documents and the duties hereunder and thereunder and may in all cases pay such reasonable compensation, subject to reimbursement, to all such attorneys, accountants, agents, receivers, and employees as may be reasonably employed in connection with the trusts hereof. As to matters of law, the Trustee may conclusively rely and act on the opinion or advice of any attorneys (who may be the attorney or attorneys for the Authority or the Borrower) or other professionals retained or consulted by the Trustee, approved by the Trustee in the exercise of reasonable care. The Trustee is not responsible for any loss or damage resulting from any action or non-action taken in good faith in reliance on such opinion or advice.

(d) The Trustee is not responsible for any recital contained herein, in the Bonds (except in respect to the authentication certificate of the Trustee endorsed on the Bonds), or in the other Bond Documents or for insuring the property conveyed hereby or thereby or for collecting any insurance money or for the validity of the execution by the Authority hereof or any Supplemental Indentures hereto or instruments of further assurance or for the sufficiency of the Security for the Bonds issued hereunder or intended to be secured hereby or for the value or title of the property conveyed hereby or otherwise as to the maintenance of the security hereof; except that in the event the Trustee enters into possession of a part or all of the property conveyed hereby under any provision hereof, it will use the same degree of care and skill in the performance of its duties as a prudent person would exercise under the circumstances in preserving such property. The Trustee shall have no duty to verify or investigate the accuracy of the recitations or monetary amounts provided in any requisition. The Trustee is not bound to ascertain or inquire as to the performance or observance of any covenants, conditions, or agreements on

the part of the Authority or on the part of the Borrower under this Indenture, the Lease Agreement, or the other Bond Documents except as herein expressly set forth. The Trustee will perform all of the duties or obligations set forth for it under the other Bond Documents, but is not answerable for the performance of any such duty or obligation for other than its gross negligence or willful misconduct. Neither the Trustee nor any of its directors, officers, employees, agents or affiliates is responsible for nor have any duty to monitor the performance of, or have any other obligation to see that any duties herein imposed on the Authority, the Borrower, or any party to any Bond Document other than itself or any of its directors, members, officers, agents, affiliates or employees, or any covenants herein or therein contained on the part of any party to any Bond Document other than itself, to be done or performed, are done or performed, nor shall it have any liability in connection with the malfeasance or nonfeasance by such party. The Trustee may assume performance by all such Persons of their respective obligations. The Trustee shall have no enforcement or notification obligations relating to breaches of representations or warranties of any other Person, except when the Trustee has actual knowledge thereof, and the Trustee is under no obligation for failure to see that any such duties or covenants are so done or performed.

(e) The Trustee is not accountable for the use of the proceeds from the sale of the Bonds disbursed in accordance with the provisions hereof or of the Lease Agreement. The Trustee may become the Owner of Bonds secured hereby with the same rights that it would have if not Trustee.

(f) The Trustee may conclusively rely on and is protected in acting on any notice, request, resolution, consent, certificate, order, judgment, decree, affidavit, letter, telegram, facsimile transmission, electronic mail, instrument, bond, debenture, evidence of indebtedness, or other paper or electronic document or any oral communication or direction Person or Persons in accordance with the provisions of any of the Bond Documents, not only as to due execution, validity and effectiveness, but also as to the truth and accuracy of any information contained therein. The Trustee will not unreasonably withhold its consent to, approval of, or action regarding any reasonable request of the Borrower. Any action taken by the Trustee under this Indenture or any of the other Bond Documents on the request or authority or consent of any Person who at the time of making such request or giving such authority or consent is the Owner of any Bond is conclusive and binding on all future Owners of the same Bond and of any Bond or Bonds issued in exchange therefor or on transfer of or in place thereof.

(g) The Trustee may, at the expense of the Borrower, request, rely on and act in accordance with officer's certificates and opinions of counsel, and shall incur no liability and shall be fully protected in acting or refraining from acting in accordance with such officer's certificates and opinions of counsel, except when the Trustee is grossly negligent or willful in its misconduct or failure to act. As to the existence or non-existence of any fact or as to the sufficiency or validity of any instrument, paper, or proceedings, the Trustee is entitled to rely on a certificate signed on behalf of the Authority by an Authorized Signatory and on a certificate signed on behalf of the Borrower by the Authorized Borrower Representative as sufficient evidence of the facts therein contained. Prior to the occurrence of an Event of Default of which the Trustee is notified or of which it is deemed to have notice as provided in this Section, the Trustee is also at liberty to accept a similar certificate to the effect that any particular dealing, transaction, or action is necessary or expedient, but may at its discretion secure such further evidence deemed necessary or advisable, but will in no case be bound to secure the same. The Trustee may accept a certificate of an Authorized Signatory under its seal to the effect that a resolution in the form therein set forth has been adopted by the Authority as conclusive evidence that such a resolution has been duly adopted and is in full force and effect.

(h) The permissive right of the Trustee to do things enumerated in this Indenture and the other Bond Documents will not be construed as a duty, and the Trustee is not answerable for any such permissive right for other than its gross negligence or willful misconduct. In no event shall the Trustee be responsible or liable for special, indirect, punitive, incidental or consequential loss or damage of any kind whatsoever (including, but not limited to, loss of profit) irrespective of whether the Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action. The Trustee shall not be responsible or liable for any failure or delay in the performance of its obligations under this Agreement arising out of or caused, directly or indirectly, by circumstances beyond its control, including without limitation, any act or provision of any present or future law or regulation or governmental authority; acts of God; earthquakes; fires; floods; wars; terrorism; civil or military disturbances; sabotage; epidemics; quarantine restrictions; riots; interruptions, loss or malfunctions of utilities, computer (hardware or software) or communications service; accidents; labor disputes; acts of civil or military authority or governmental actions; or the unavailability of the Federal Reserve Bank wire or telex or other wire or communication facility.

(i) The Trustee is not required to take notice or deemed to have notice of any failure on the part of the Authority to comply with the terms hereof or any other Authority Document or the Borrower to comply with the terms of the Lease Agreement or any other Borrower Document except failure by the Authority to cause to be made any of the payments to the Trustee required to be made by this Indenture and failure by the Borrower to make any of the Lease Payments to the Trustee required to be made by Section 7.02 of the Lease Agreement, unless the Trustee is specifically notified in writing of such failure by the Authority or by the Majority of the Owners. All notices or other instruments required by this Indenture to be delivered to the Trustee must, to be effective, be delivered to a Responsible Officer at the Office of the Trustee, and in the absence of such notice so delivered the Trustee may conclusively assume there is no such failure to comply except as aforesaid. Notwithstanding from responsibility for making Debt Service on the Bonds when due from money available to it or accelerating the Bonds as required under Section 7.02.

(j) The Trustee is not liable for any debts contracted or for damages to Persons or to personal property injured or damaged or for salaries or nonfulfillment of contracts during any period in which it may be in the possession of or managing the Project as in this Indenture or the other Bond Documents provided, other than for its gross negligence or willful misconduct.

(k) At any and all reasonable times the Trustee and its duly authorized agents, attorneys, experts, engineers, accountants, and representatives have the right, but are not required, to inspect any and all of the Project, including all books, papers, and records of the Authority pertaining to the Project and the Bonds, and to take such memoranda from and in regard thereto as may be desired, subject to the limitations imposed on such rights of inspection pursuant to the Lease Agreement.

(l) The Trustee is not required to give any indemnity, bond or surety in respect of the execution of its trusts and powers hereunder or under the other Bond Documents or otherwise in respect of the premises hereof or file any returns or reports to any court in the execution of its trusts.

(m) Notwithstanding anything elsewhere in this Indenture contained, the Trustee has the right, but is not required, to demand, in respect of the authentication of any Bonds, the withdrawal of any cash, the release of any property, or the taking of any action whatsoever within the purview hereof, the delivery of any showings, certificates, opinions, appraisals, or other information, or corporate action or evidence thereof, in addition to that by the terms hereof required as a condition of any such action by the Trustee, deemed reasonably necessary for the purpose of establishing the right of the Authority to the authentication of any Bonds, the withdrawal of any cash, the release of any property, or the taking or omitting of any other action by the Trustee.

(n) All money received by the Trustee or any paying agent will, until used or applied or invested as herein provided, be held in trust for the purposes for which they were received but need not be segregated from other funds except to the extent required by law or by this Indenture. Neither the Trustee nor any paying agent will be under any liability for interest on any money received hereunder except such as may be agreed on.

(o) The Trustee may construe any provision hereof or of any of the other Bond Documents insofar as such may appear to it to be ambiguous or inconsistent with any other provision hereof or of any of the other Bond Documents, and any construction of any such provision by the Trustee is binding on the Owners and the Authority.

(p) The Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of the Authority, the Borrower or any Bondholder, pursuant to the provisions of this Indenture, unless such party shall have offered to the Trustee security or indemnity (satisfactory to the Trustee in its sole and absolute discretion) against the costs, expenses and liabilities which may be incurred by it in compliance with such request or direction. The Trustee is not liable and is fully protected regarding any action taken or omitted to be taken by it in good faith in accordance with the direction of the Majority of the Owners relating to the time, method, and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred on the Trustee under this Indenture.

(q) No provisions hereof or of any of the other Bond Documents required the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder or in the exercise of any of its rights or powers.

(r) The Trustee shall be entitled to request and receive written instructions in connection with its duties hereunder and under the Bond Documents and shall have no responsibility or liability for any losses or damages of any nature that may arise from any action taken or not taken by the Trustee in accordance with any such written direction unless the Trustee is grossly negligent or acting willfully in its misconduct or failure to act. The Trustee agrees to accept and act on instructions or directions under this Indenture sent by unsecured email, facsimile transmission, or other similar unsecured Electronic Means, provided, however, that the instructions or directions are signed by a person as may be designated and authorized to sign for the Borrower or in the name of the Borrower by an Authorized Borrower Representative. If the Borrower elects to give the Trustee electronic mail or facsimile instructions (or instructions by a similar Electronic Means) and the Trustee acts on such instructions, the Trustee's understanding of such instructions will be controlling. The Trustee is not liable for any losses, costs, or expenses arising directly or indirectly from the Trustee's reliance on and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The Borrower agrees to assume all risks arising out of the use of such Electronic Means to submit instructions and directions to the Trustee, including, without limitation, the risk of the Trustee's acting on unauthorized instructions and the risk of interception and misuse by third parties. The Trustee is not required to make any inquiry or investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, approval, bond, debenture, or other paper or document, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may deem necessary or desirable.

(s) In the event the Trustee receives inconsistent or conflicting requests and indemnity from two or more groups of Owners, each representing less than a Majority of the Owners, under the provisions of this Indenture, the Trustee, in its sole discretion, may determine what action, if any, will be taken hereunder or under any of the other Bond Documents.

(t) The Trustee's immunities and protections from liability and its right to indemnification in connection with the performance of its duties under this Indenture and the other Bond Documents extend to the Trustee's officers, directors, agents, attorneys, and employees. Such immunities and protections and right to indemnification, together with the Trustee's right to compensation, will survive the Trustee's resignation or removal, the defeasance or discharge of this Indenture, and final payment of the Bonds.

(u) The Trustee has no responsibility for any information, statement, or recital in any official statement, offering circular, offering memorandum, or any other disclosure material prepared or distributed for the Bonds, except for any information provided by the Trustee, and the Trustee has no responsibility for compliance with any state or federal securities laws in connection with the Bonds.

(v) The Trustee is under no obligation to analyze or make any review of any certificates, documents, information, certifications, financial statements, or reports received by it hereunder or under the Lease Agreement or other Borrower Documents, but will hold the same delivered to it solely for the benefit of, and review by, the Authority and the Owners of the Bonds. The Trustee has no duty to request copies of any such documents, information, certifications, financial statements, or reports that are required to be furnished to it.

(w) The Trustee makes no representations as to the value, condition, or sufficiency of any assets pledged or assigned as security for the Bonds; the right, title, or interest of the Authority or the Borrower therein; the security provided thereby or by this Indenture or the other Bond Documents; the technical or financial feasibility of the Project; the compliance of the Project with the Authorizing Act; or the tax-exempt status of any Tax-Exempt Bonds. The Trustee is not accountable for the use or application by the Borrower of any of the Bonds or the proceeds of the Bonds, or for the use or application of any money paid over by the Trustee in accordance with any provision of this Indenture or the other Bond Documents.

(x) Any term of this Indenture, the Lease Agreement, any Borrower Document, or any related document to the contrary notwithstanding, and notwithstanding an agreement of indemnity, the Trustee has no responsibility, obligation, or duty to enter on, or otherwise take possession or control of the Property, or take any other action that could constitute taking possession or control of, the Property, unless and until the Trustee is satisfied, in its sole discretion and determination, that neither it nor the trusts created hereby will incur, by reason of such action, any liability under Applicable Law for hazardous wastes, hazardous materials, or other environmental liabilities. If the Trustee believes it prudent or appropriate prior to taking any action for possession or control of the Property, the Trustee may contract for, at the expense of the trusts created hereby, an environmental inspection of the Property.

(y) Whether or not expressly so provided, every provision of this Indenture and the other Bond Documents relating to the conduct or affecting the liability of or affording protection of the Trustee is subject to the provisions of this Section.

Section 9.02 Fees, Charges, and Expenses of the Trustee

The Trustee is entitled to payment and reimbursement for reasonable fees for Ordinary Services of the Trustee rendered hereunder or under any of the other Bond Documents, and all advances, reasonable attorneys' fees with proper substantiation, and other Ordinary Expenses of the Trustee reasonably made or incurred by the Trustee in connection with such Ordinary Services of the Trustee, and in the event that the Trustee performs Extraordinary Services of the Trustee, it is entitled to reasonable extra compensation therefor and to reimbursement for reasonable Extraordinary Expenses of the Trustee in connection therewith; provided, that if such Extraordinary Services of the Trustee or Extraordinary Expenses of the Trustee are the result of the gross negligence or willful misconduct of the Trustee, the Trustee is not entitled to compensation or reimbursement therefor. The Trustee is entitled to payment and reimbursement for the reasonable fees and charges of the Trustee as bond registrar and paying agent for the Bonds as hereinabove provided. Notwithstanding any other provision hereof or of the Lease Agreement to the contrary, at all times while any Bonds are Outstanding, payments to the Trustee for services hereunder are superior to the payment of Debt Service on the Bonds, and the Trustee has a first and prior Lien on the Trust Estate for payment of its reasonable fees and expenses.

Section 9.03 Indenture Funds to be Held in Trust

The Trustee hereby covenants that all money held in any Indenture Fund under this Indenture and any collateral securing such funds are a part of the Trust Estate, and that the rights and interests of the Owners in and to such money and collateral are and, subject to the provisions of this Indenture for the payment of the reasonable fees and expenses of the Trustee, will be superior to the claims of the creditors and depositors of the Trustee.

Section 9.04 Right of the Trustee to Pay Insurance, Taxes, and Other Charges.

In case any tax, assessment, or governmental or other charge on, or insurance premium for, any part of the property herein conveyed is not paid as required herein or in the Lease Agreement and is not being contested under the Lease Agreement, the Trustee may, but is not obligated to, pay such tax, assessment, or governmental or other charge, or insurance premium, without prejudice, however, to any rights of the Trustee or the Owners hereunder arising in consequence of such failure, and any amount at any time so paid under this Section or under the Lease Agreement, with interest thereon from the date of payment at the Default Rate, will become an additional obligation secured by this Indenture and the same will be given a preference in payment over any of the Bonds and will be paid out of the revenues herein pledged to the payment of the Bonds if not otherwise caused to be paid, but the Trustee is under no obligation to make any such payment unless it is requested to do so by the Majority of the Owners and is provided with adequate funds for the purpose of such payment.

Section 9.05 Trustee Protected in Relying On Resolutions

The resolutions, opinions, certificates, and other instruments provided for in this Indenture may be accepted by the Trustee as conclusive evidence of the facts and conclusions stated therein and are full warrant, protection, and authority to the Trustee for the release of property and the withdrawal of cash hereunder.

Section 9.06 Authority Additional Payments

The Trustee will transfer all Authority Additional Payments promptly on receipt thereof from the Borrower, to the Authority at the address specified herein for notice to the Authority or as otherwise directed by the Authority.

Section 9.07 Trustee May Own Bonds

The Trustee, in its commercial banking or in any other capacity, may in good faith buy, sell, own, hold, and deal in any of the Bonds and may join in any action which any Bondholder may be entitled to take with like effect as if it were not Trustee. The Trustee, in its commercial banking or in any other capacity, may also engage in or be interested in any financial or other transaction with the Authority or the Borrower and may act as depository, trustee, or agent for any committee of Owners secured hereby or other obligations of the Authority as freely as if it were not Trustee. The provisions of this Section extend to affiliates of the Trustee.

Section 9.08 List of Owners

The Trustee will keep on file a list of names and addresses of all Owners of Bonds as may from time to time be shown on the Bond Register in the hands of the Trustee together with the principal amount and numbers of such Bonds. The Trustee will be under no responsibility with regard to the accuracy of said list. At reasonable times and under reasonable regulations established by the Trustee and provided that said list may be available for inspection under applicable law, said list may be inspected and copied by the Authority, the Borrower, the Underwriter, or the Owners (or a designated representative thereof) of 15% or more in aggregate principal amount of Bonds Outstanding, such ownership and the authority of any such designated representative to be evidenced to the satisfaction of the Trustee.

Section 9.09 Borrower's Financial Statements

On the written request of any Owner, the Trustee, at the expense of such Owner, will deliver to such Owner a copy of any of the financial statements of the Borrower that are delivered to the Trustee by the Borrower under the Lease Agreement.

Section 9.10 Information from the Trustee

(a) It is the duty of the Trustee, on or before each Revenue Fund Distribution Date, to deliver to the Borrower a statement (which can be an electronic snapshot of existing trust account balances sent by Electronic Means) setting forth the following in respect of the preceding calendar month:

(1) the amount withdrawn or transferred by it and the amount deposited with it on account of each Fund or Account held by it under the provisions of this Indenture,

(2) the amount on deposit with it at the end of such month in each such Fund or Account,

(3) a brief description of all Permitted Investments held by it as an investment of money in each such Fund or Account,

(4) the amount applied to the purchase or redemption of Bonds under the provisions of Article III and a description of the Bonds or portions thereof so purchased or redeemed, and

(5) any other information regarding the administration of any Fund or Account administered hereunder that the Authority or the Borrower may reasonably request.

(b) The Trustee will also deliver to the Authority and the Borrower an annual statement that sets forth the information provided in subsection (a) on a basis coinciding with the Annual Period.

(c) In addition, on the fifth anniversary date of the issuance of any Tax-Exempt Bonds, and on each fifth anniversary thereafter, on written request of the Borrower and at the Borrower's expense, the Trustee will deliver to the Borrower such information in its possession as the Borrower may deem reasonably necessary to determine the Rebate Amount and the amount subject to rebate as set forth in Section 12.02.

(d) All records and files pertaining to the Bonds, the Project or the Borrower in the custody of the Trustee will be open at all reasonable times and on reasonable prior notice to the inspection of the Authority or the Borrower and its agents and representatives.

(e) The Trustee shall promptly provide to the Authority and the Borrower any other information in its possession that the Authority or the Borrower may reasonably request.

Section 9.11 Notice of Payment Default

If a failure to comply occurs of which the Trustee is required by Section 9.01 to take notice or if notice of a failure to comply is given as provided in such Section, provided, the Trustee will give such notice to the Authority as is specified herein and such notice to the Borrower as is specified in the Lease Agreement and will give written notice thereof by first-class mail, within 15 days (unless such failure to comply is cured or waived), to all Owners, provided that, except in the case of a failure to make due and punctual payment of the Debt Service on the Bonds, the Trustee may withhold such notice to the Owners if and so long as the board of directors, the executive committee, or a trust committee of directors or Responsible Officers of the Trustee in good faith determines that the withholding of such notice is in the interests of the Owners.

Section 9.12 Intervention by the Trustee

The Trustee may intervene on behalf of Owners in any judicial proceeding to which the Borrower is a party and which, in the reasonable opinion of the Trustee and its counsel, has a substantial bearing on the interests of Owners of the Bonds and will do so if requested in writing by the Majority of the Owners and the indemnity required by Section 9.13 is provided. The rights and obligations of the Trustee under this Section are subject to the approval of a court of competent jurisdiction.

Section 9.13 Indemnification of Trustee

Before taking any action, or forbearance from taking any action, under this Indenture at the direction or request of the Owners, the Trustee may require that security or indemnity satisfactory to the Trustee in its sole and absolute discretion be furnished for reimbursement of all reasonable expenses it may incur and to protect it against all liabilities, except for liability that is finally adjudicated to have resulted from the gross negligence or willful misconduct of the Trustee by reason of any action so taken.

Section 9.14 Successor Trustee

Any corporation or association into which the Trustee may be converted or merged, or with which it may be consolidated, or to which it may sell, lease, or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation, or transfer to which it is a party, will, *ipso facto*, be and become successor Trustee hereunder and vested with all of the title to the Trust Estate and all the trusts, powers, rights, obligations, duties, remedies, discretions, immunities, privileges, and all other matters as was its predecessor, without the execution or filing of any instruments or any further act, deed, or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

Section 9.15 Resignation by the Trustee

The Trustee and any successor Trustee may at any time resign and be discharged of its duties and obligations hereunder from the trusts hereby created by giving 30 calendar days' written notice to the Authority, to the Borrower, to each Rating Agency, and, by first-class (postage prepaid) mail, to each Bondholder, and such resignation will take effect at the appointment of a successor Trustee under the provisions of Section 1108 and acceptance by the successor Trustee of such trusts. Such notice to the Authority, the Borrower, and each Rating Agency may be served personally or sent by registered or certified mail. If no successor Trustee is so appointed by the Authorized Borrower Representative or the Owners under Section 9.17 within 30 calendar days after delivery of such notices, a temporary Trustee may be appointed by the Authority under this Indenture. In the event that no successor Trustee is appointed and has accepted appointment within 30 calendar days of the giving of written notice by the resigning Trustee as aforesaid, the resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee.

Section 9.16 Removal of the Trustee

(a) The Trustee may be removed at any time on 30 calendar days' written notice (i) by the Authority for any breach of the trusts set forth herein or for any failure or refusal to act as Trustee, (ii) by an instrument or concurrent instruments in writing delivered to the Trustee and to the Authority and signed by a Majority of the Owners or (iii) by an instrument in writing delivered to the Trustee and to the Authority signed by the Authorized Borrower Representative, provided no Event of Default under this Indenture or the Lease Agreement has occurred and is continuing. Removal of the Trustee will not be effective until a successor or temporary Trustee is appointed under Section 9.17 and the Trustee is paid for all Ordinary Services of the Trustee and Extraordinary Services of the Trustee rendered hereunder and for all Ordinary Expenses of the Trustee and Extraordinary Expenses of the Trustee incurred hereunder.

(b) The Authority or the Borrower, on behalf of the Authority, will give written notice of removal of the Trustee in accordance with the provisions of subsection (a) to each Rating Agency.

Section 9.17 Appointment of Successor Trustee; Temporary Trustee

(a) In case the Trustee (i) resigns or is removed or (ii) is dissolved or in the course of dissolution or liquidation, or in case it is taken under the control of any public officer or officers or of a receiver appointed by a court or otherwise become incapable of acting hereunder, a successor may be appointed by an instrument executed and signed by an Authorized Signatory under seal and executed by the Authorized Borrower Representative; provided, that if a successor Trustee is not so appointed within 10 days after notice of resignation is mailed or an instrument of removal is delivered as provided under Sections 9.15 and 9.16, respectively, or within 10 days of the Authority's knowledge of any of the events specified in (ii) hereinabove, then a Majority of the Owners, by an instrument or concurrent instruments in writing signed by or on behalf of such Owners, delivered personally or sent by certified or registered mail to the Authority and the Borrower, may designate a successor Trustee. Until a successor Trustee is appointed by the Owners in the manner above provided, the Authority, by resolution and on written notice to the Borrower, will appoint a temporary Trustee to fill such vacancy, and any such temporary Trustee so appointed by the Authority will immediately and without further act be superseded by the successor Trustee so appointed by the Owners. Notice of the appointment of a successor Trustee will be given in the same manner as provided by Section 9.15 hereof for the resignation of the Trustee.

(b) Every such successor Trustee appointed under the provisions of this Section will be a trust company or bank organized under the laws of the United States of America or any state thereof that is in good standing within or outside the State of Alabama; will be eligible to serve as trustee, bond registrar, and paying agent under applicable law; will be duly authorized to exercise trust powers and subject to examination by federal or state authority; shall be an institution willing, qualified, and able to accept the trusteeship on the terms and conditions hereof, and shall meet the qualifications of Section 9.17(d).

(c) In case at any time the Trustee resigns and no appointment of a successor Trustee is made under the foregoing provisions of this Article prior to the date specified in the notice of resignation as the date when such resignation takes effect, the Owner of any Bond or the resigning Trustee may apply to any court of competent jurisdiction to appoint a successor Trustee. Such court may thereon, after such notice, if any, as it may deem proper, appoint a successor Trustee.

(d) Any Trustee must be (i) a national banking association that is supervised by the Office of the Comptroller of the Currency and has assets not less than \$250,000,000, (ii) a state-chartered commercial bank that is a member of the Federal Reserve System and has assets not less than \$1,000,000,000.

Section 9.18 Concerning Any Successor Trustee

Every successor Trustee appointed hereunder will execute, acknowledge, and deliver to its predecessor and also to the Authority an instrument in writing accepting such appointment hereunder, and thereon such successor, without any further act, deed, or conveyance, will become fully vested with all the estates, properties, rights, powers, trusts, remedies, immunities, privileges, duties, and obligations of its predecessor, but such predecessor will, nevertheless, on the written request of the Authority, or of its successor, and on payment of all amounts due such predecessor under Section 9.02, execute and deliver an instrument transferring to such successor Trustee all the estates, properties, obligations, duties, remedies, immunities, privileges, rights, powers, and trusts of such predecessor hereunder, and every predecessor Trustee will deliver all securities and money held by it as Trustee hereunder to its successors, and every predecessor Trustee will deliver the Bond Register to its successors. Should any instrument in writing from the Authority be required by a successor Trustee for more fully and certainly vesting in such successor the estates, trusts, rights, obligations, remedies, immunities, privileges, rights, powers, and duties hereby vested or intended to be vested in the predecessor, any and all such instruments in writing will, on request, be executed, acknowledged, and delivered by the Authority. The resignation of any Trustee and the instrument or instruments removing any Trustee and appointing a successor hereunder, together with all other instruments provided for in this Article, will be filed or recorded by the successor Trustee in each recording office where this Indenture or a financing statement relating hereto is filed or recorded, if any.

Section 9.19 Successor Trustee as Trustee of Indenture Funds and Accounts, as Paying Agent, and as Bond Registrar

In the event of a change in the Office of the Trustee, the predecessor Trustee that has resigned or has been removed will cease to be Trustee or depository of the Indenture Funds (including any special trust funds created pursuant to a Supplemental Indenture) and the Rebate Fund, and will cease to be paying agent for the payment of the Debt Service on the Bonds and will cease to be bond registrar, and the successor Trustee as qualified under Section 9.17 will become such Trustee or depository, paying agent, and bond registrar.

Section 9.20 Trust Estate May Be Vested in Separate Trustee or Co-Trustee

(a) It is the purpose hereof that there will be no violation of any law of any jurisdiction denying or restricting the right of banking corporations or associations to transact business as trustee in such jurisdiction. It is recognized that in case of litigation under this Indenture or the Bond Documents and in particular in case of the enforcement of either on an Event of Default, or in case the Trustee deems that by reason of any present or future law of any jurisdiction it may not exercise any of the powers, rights, or remedies herein granted to the Trustee or may not hold title to the Trust Estate, in trust, as herein granted, or may not take any other action that may be necessary or desirable in connection therewith, it may be necessary that the Trustee appoint an additional individual or institution as a separate trustee or co-trustee. The following provisions of this Section are adopted to these ends.

(b) In the event that the Trustee appoints an additional individual or institution as a separate trustee or co-trustee, each and every remedy, power, right, claim, demand, cause of action, immunity, estate, title, duty, obligation, interest, security interest, and Lien expressed or intended by this Indenture to be exercised by or vested in or granted or conveyed to the Trustee with respect thereto will be exercisable by and vest in such separate trustee or co-trustee but only to the extent necessary to enable such separate trustee or co-trustee to exercise such powers, rights, and remedies, and every covenant and obligation necessary to the exercise thereof by such separate trustee or co-trustee will run to and be enforceable by either of them.

(c) If any deed, conveyance, or instrument in writing from the Authority be required by the separate trustee or co-trustee so appointed by the Trustee for more fully and certainly investing in and confirming to such Person such properties, rights, powers, trusts duties and obligations, any and all such deeds, conveyances and instruments in writing will, on request, be executed, acknowledged and delivered by the Authority. If any separate trustee or co-trustee, or a successor thereof, dies, becomes incapable of acting, resigns, or is removed, all the estates, properties, rights, powers, trusts, duties, and obligations of such separate trustee or co-trustee, to the extent permitted by Applicable Law, will vest in the and be exercised by the Trustee until the appointment of a new Trustee or successor to such separate trustee or co-trustee.

ARTICLE 10**Covenants of the Authority****Section 10.01 Corporate Existence**

(a) The Authority will do or cause to be done all things necessary to preserve and keep in full force and effect its corporate existence subject to Section 10.01(b).

(b) The Authority shall not consolidate with or merge into any other corporation or transfer its property constituting the Trust Estate substantially as an entirety to any Person unless: (i) such consolidation, merger, conveyance or transfer shall be on such terms as shall fully preserve the Lien of this Indenture and the rights and powers of the Trustee and the Owners of the Bonds; (ii) the corporation formed by such consolidation or into which the Authority is merged or the Person which acquires by conveyance or transfer the Authority's said property substantially as an entirety (the "Successor") shall be a municipal corporation or public corporation organized under the laws of the State of Alabama; (iii) the Successor will execute and deliver to the Trustee (A) a written instrument in form recordable and acceptable to the Trustee containing an assumption by such Successor of the due and punctual payment of the Debt Service on the Bonds and the performance and observance of every covenant and condition of the Bond Documents to be performed or observed by the Authority and (B) an Opinion of Counsel to the effect the Bonds, and the obligations of the Authority under the Bond Documents, are the legal, valid and binding obligations of the Successor and are enforceable against the Successor in accordance with the terms thereof (subject to appropriate qualifications); (iv) immediately after giving effect to such transaction, no Event of Default or any event which, upon notice or lapse of time (or both), would constitute such an Event of Default shall have occurred and be continuing; and (v) the Authority shall have delivered to the Trustee an Opinion of Bond Counsel which shall state that such consolidation, merger, conveyance or transfer complies with this Section and will not cause interest on any Tax-Exempt Bond to be or become Taxable.

(c) Upon any consolidation or merger or any conveyance or transfer of the Authority's property substantially as an entirety in accordance with this Section, the Successor shall succeed to, and be substituted for, and may exercise every right and power of, the Authority under this Indenture with the same effect as if such Successor had been named as the Authority in this Indenture, and shall be legally bound by the obligations of the Authority under the Bonds and the Bond Documents.

Section 10.02 Designation of Additional Paying Agents and Co-Bond Registrar.

The Authority may, and on the written request of the Borrower and payment of any expenses incurred in connection therewith under the Lease Agreement, will cause the necessary arrangements to be made through the Trustee for the designation of additional paying agents as specified by the Borrower for purposes of making funds available for the payment of such of the Bonds as are presented when due at the designated office of said additional paying agents. The Trustee may designate a co-bond registrar that may perform the duties of bond registrar on behalf of the Trustee, and all references herein to bond registrar will include any such co-bond registrar.

Section 10.03 Instruments of Further Assurance.

The Authority agrees that the Trustee may defend its rights to the payments and other amounts due under the Authority Documents for the benefit of the Owners against the claims and demands of all Persons. Subject to the provisions of Article 12, the Authority covenants that it will do, execute, acknowledge, and deliver or cause to be done, executed, acknowledged, and delivered such indentures supplemental hereto and such further acts, instruments, and transfers as the Trustee reasonably requires for the better assuring, transferring, conveying, pledging, assigning, and confirming to the Trustee the Trust Estate. Any and all property hereafter acquired that is of the kind or nature provided herein to be and become subject to the Lien and security interest hereof will, without any further conveyance, assignment, or act on the part of the Authority or the Trustee, be and become subject to the Lien and security interest hereof as fully and completely as though specifically described herein, but nothing in this sentence contained will be deemed to modify or change the obligations of the Authority under this Section. The Authority covenants and agrees that, except as herein and in the Lease Agreement provided, it has not and will not sell, convey, assign, pledge, mortgage, encumber, grant a security interest in, or otherwise dispose of, or create or suffer to be created any Lien, encumbrance, security interest, or charge on, any part of the Trust Estate or of its rights under any of the Authority Documents, or enter into any contract or take any action by which the rights of the Trustee or the Owners may be impaired.

Section 10.04 Rights Under Certain Documents.

(a) The Trustee may enforce all rights of the Authority, except the Unassigned Rights, and all obligations of the Borrower under and under the Bond Documents for and on behalf of the Owners, whether or not an Event of Default has occurred hereunder.

(b) So long as any of the Bonds remain Outstanding and for such longer period when required by the Lease Agreement, the Authority will faithfully and punctually perform and observe all obligations and undertakings on its part to be performed and observed under the Authority Documents. The Authority covenants to maintain, at all times, the validity and effectiveness, as to the Authority, of the Authority Documents and (except as expressly permitted by the Lease Agreement) will not knowingly take any action, will not knowingly permit any action to be taken by others under its control, and will not knowingly omit to take any action or knowingly permit others under its control to omit to take any action, which action or omission might release the Borrower from its liabilities or obligations thereunder or result in the surrender, termination, amendment, or modification thereof or impair the validity thereof.

(c) The Trustee will retain possession of executed originals or counterparts of the Borrower Documents to which the Authority is a party or in respect of which it is a beneficiary and will release the same only in accordance with the provisions thereof. The Borrower Documents to which the Authority is a party or in respect of which it is a beneficiary will be available for inspection at the Office of the Trustee at reasonable times and under reasonable conditions by the Authority, the Borrower, and any Owner of any Bond.

ARTICLE 11

Construction and Operation of Indenture; Entitlement of Bonds to Indenture; Rights of Owners

Section 11.01 Indenture Constitutes Contractual Agreement; Governing Law; Interests under Indenture

The Authority, the Trustee, and each of the Owners, by the acquisition of a Bond or a beneficial interest therein, covenant and agree:

- (1) this Indenture constitutes a legal contract made by the Authority, the Trustee and the Owners, by acquisition of a Bond or an interest therein, and shall be construed in accordance with and governed by the Governing Law without regard to principles of conflicts of laws; and
- (2) the provisions of this Indenture are severable; if any one or more of the provisions of this Indenture shall be held illegal or unenforceable, such illegality or unenforceability shall not affect the other provisions of this Indenture and this Indenture shall be construed and enforced without regard to such illegal or unenforceable provisions; and
- (3) all legal and equitable interests and rights under this Indenture are vested exclusively and solely in the following Persons and each respective successor or assignee thereof:
 - (i) the Authority, and the successors and assigns thereof;
 - (ii) the Trustee, and any successor trustee under this Indenture;
 - (iii) the Borrower, and the successors and assigns, thereof, as third-party beneficiaries hereof;
 - (iv) the University, and the successors and assigns thereof, as third-party beneficiaries hereof; and
 - (v) the Owner of each Bond, to the extent provided in this Indenture.

Section 11.02 General Construction of Indenture

For all purposes of this Indenture, except as otherwise expressly provided or unless the context otherwise requires:

(1) the terms "agree", "shall", and "will" when used in this Indenture with respect to the observance or performance of any agreement, duty or requirement to take, or forebear from taking, any action by the Authority, the Trustee the Securities Depository, or an Owner, means that such agreement, duty or requirement is imperative and enforceable by available remedies at law or in equity against the Person charged therewith.

(2) all references in this Indenture to designated "Articles," "Sections" and other subdivisions are to the designated Articles, Sections and subdivisions of this Indenture as originally executed.

(3) the terms "in this Indenture," "hereof" and "hereunder" and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or other subdivision.

(4) the Article and Section headings in this Indenture are for convenience only and shall not affect the construction of this Indenture.

Section 11.03 Entitlement of Bonds to Benefits of Indenture and Trust Estate

The Authority, the Trustee, and each of the Owners, by the acquisition of a Bond or a beneficial interest therein, covenant and agree that:

(1) each Bond which shall have been authenticated by the Trustee and delivered by the Authority pursuant to this Indenture shall be conclusively and legally entitled to the equal and proportionate benefit of the agreements and covenants, and the Lien upon the Trust Estate, of this Indenture from and after the date of delivery of and payment for such Bond until (but not including) the first to occur of the date on which:

(i) the Outstanding Principal Amount of such Bond shall have ceased to be subject to the accrual of interest pursuant to Section 4.04; or

(ii) the Debt Service on such Bond (or any portion thereof) shall have become payable solely from a Defeasance Fund; and

(2) the Owner of each Bond which shall have ceased to accrue interest or shall have become payable solely from a Defeasance Fund, shall thereupon have only the rights and interests (if any) specifically established by this Indenture therefor and shall have no further recourse to the Trust Estate and no further entitlement to any benefit, protection or rights provided by this Indenture to the Owners.

Section 11.04 Determination of Ownership of Bonds

(a) The ownership of the Bonds shall be proven by the Bond Register.

(b) The Authority, the Trustee and any agent of Authority or the Trustee shall treat the Person in whose name any Bond is registered as the owner of such Bond for the purpose of receiving payment of Debt Service on such Bond and for all other purposes whatsoever whether or not such Bond is overdue, and, to the extent permitted by Applicable Law, neither the Authority, the Trustee nor any such agent shall be affected by notice to the contrary.

(c) During a period in which the Bonds are held pursuant to a Book-Entry System, the Authority and the Trustee shall treat the Securities Depository or the Securities Depository Nominee as the only Owner of the Bonds for all purposes of this Indenture; provided, in the event the Securities Depository or the Securities Depository Nominee assigns its rights to consent or vote under this Indenture to any Direct Participant or Indirect Participant, the Authority, the Trustee and the Borrower shall treat such assignee or assignees as the only Owner or Owners of the Bonds for the purpose of exercising such rights so assigned.

Section 11.05 Acts of Owners; Binding Effect of Acts

(a) Any request, demand, authorization, direction, notice, consent, waiver or other action provided by this Indenture to be given, made or taken by Owners may be embodied in and evidenced by one or more substantially concurrent instruments of substantially similar tenor signed by such Owners in person or by an attorney or legal representative duly appointed in writing; and, except as in this Indenture otherwise expressly provided, such action shall become effective when such instrument or instruments are delivered to the Trustee, and, where it is expressly required, to the Authority. Such instrument or instruments (and the action embodied in this Indenture and evidenced thereby) are in this Indenture sometimes referred to as the "Act" of the Owners signing such instrument or instruments. Proof of execution of any such instrument or of a writing appointing any such legal representative, or of the holding by any Person of Bonds, shall be sufficient for any purpose of this Indenture and conclusive in favor of the Authority and (subject to Section 9.01) in favor of the Trustee, if made in the manner provided in this Section.

(b) The fact and date of the execution by any Person of any such instrument or writing may be proved by the affidavit of a witness of such execution or by the Certificate of any notary public or other officers authorized by law to take acknowledgments of deeds, certifying that the individual signing such instrument or writing acknowledged to him the execution thereof. Whenever such execution is by an officer of a corporation or a member of a partnership, or limited liability company or partnership, on behalf of any thereof, such Certificate or affidavit shall also constitute sufficient proof of the authority thereof.

(c) Any request, demand, authorization, direction, notice, consent, waiver or other action by the Owner of any Bond shall bind every future Owner of the same Bond and the Owner of every Bond issued upon the transfer thereof or in exchange therefor or in lieu thereof, in respect of anything done or suffered to be done by the Trustee or the Authority in reliance thereon, whether or not notation of such action is made upon such Bond.

(d) For the purpose of determining whether the Owners of the requisite principal amount of Bonds have given any request, demand, authorization, direction, notice, consent, waiver or other action under this Indenture: (i) Bonds owned by the Borrower, the Authority or any other obligor with respect to the Bonds or any Affiliate of the Borrower, the Authority or of such other obligor shall be disregarded except that, in determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Bonds which a Responsible Officer actually knows to be so owned shall be disregarded, and (ii) Bonds so owned which have been pledged in good faith may be regarded for such purposes if the pledgee establishes to the satisfaction of the Trustee the pledgee's right so to act with respect to such Bonds and that the pledgee is not the Borrower, the Authority or any other obligor with respect to the Bonds or any Affiliate of the Authority, the Borrower, or of such other obligor.

Section 11.06 Respective Rights of Trustee and Owners Regarding Actions and Remedies

(a) All rights of action (including the right to file proofs of claims) under this Indenture or under any of the Bonds may be prosecuted and enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceedings relating thereto, and any such suit or proceeding instituted by the Trustee shall be brought in its name as trustee of an express trust without the necessity of joining as plaintiffs or defendants any Owners, and any recovery shall (after provision for the payment of the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel) be for the proportionate benefit of the Owners of the Bonds in respect of which such judgment shall have been recorded.

(b) The Majority Owners shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under this Indenture, provided that:

(1) such direction shall not be in conflict with any rule of law or this Indenture;

(2) the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction;

(3) if such direction is given by the Majority Owners, the Trustee shall have determined that the action so directed would not be unjustly prejudicial to the Owners not taking part in such direction;

(4) the provisions of Section 7.02(a) which require the Trustee to declare an acceleration, shall not be modified or waived without the prior written consent by Act of the Owners of all of the Bonds.

(c) No Owner of any Bond shall have any right to institute any proceeding, judicial or otherwise, with respect to this Indenture or for the appointment of a receiver or trustee, or for any other remedy under this Indenture unless (1) such Owner shall have previously given written notice to the Trustee of a continuing Event of Default; (2) the Majority of the Owners shall have made written request to the Trustee to institute proceedings in respect of such Event of Default in its own name as Trustee under this Indenture; (3) such Owners have offered to the Trustee indemnity in the manner provided in Section 9.01(p) of this Indenture; (4) the Trustee for 30 days after its receipt of such notice, request and offer of indemnity shall have failed to institute any such proceeding; and (5) no direction inconsistent with such written request shall have been given to the Trustee during such 30-day period by the Majority Owners, it being understood and intended that no one or more Owners shall have any right in any manner whatever by virtue of, or by availing of, any provision of this Indenture to affect, disturb or prejudice the rights of any other Owners, or to obtain or to seek to obtain priority or preference any other Owners, or to enforce any right under this Indenture, except in the manner in this provided and for the equal and proportionate benefit of the Owners of all Bonds.

(d) Notwithstanding any other provision of this Indenture, the right of the Owners of the Bonds, which is absolute and unconditional, to receive payment of the Debt Service on the Bonds on or after the Stated Maturity Date (or, in the case of redemption, on or after the Redemption Date) thereof, and to institute suit for the enforcement of such payment, or the obligation of the Authority, which is also absolute and unconditional, to pay the principal of, premium (if any) and interest on the Bonds to the Owners thereof at the time and place in this Indenture expressed, shall not be impaired or affected without the consent of such Owner; provided, however, that no Owner shall be entitled to take any action or institute any such suit to enforce the payment of the Bond or Bonds thereof, whether for principal or interest, if and to the extent that the taking of such action or the institution or prosecution of any such suit or the entry of judgment in this Indenture would under Applicable Law result in a surrender, impairment, waiver or loss of the Lien of this Indenture upon the Trust Estate, or any part thereof, as security for the Bonds held by any other Owner.

Section 11.07 Operation of Indenture for Bonds Held in Book-Entry System

(a) General.

The Authority and the Trustee will administer and construe the provisions of this Indenture to effect full compliance with the procedures and rules of the Securities Depository with respect to all Bonds held pursuant to a Book-Entry System, including without limitation:

(1) payment and redemption (in whole or in part) of Bonds;

(2) transfers of beneficial interests in Bonds;

(3) delivery of notices pursuant to this Indenture; and

(4) grant of consent or waiver with respect to any action or inaction.

(5)

(b) **Special Agreements.**

As a condition of, and as a consideration for, the issuance of the Bonds, each Owner and Beneficial Owner agrees, by acquisition of a Bond or a beneficial interest therein, the Authority and the Trustee have not undertaken, directly or indirectly, to provide, and therefore shall have no liability, obligation, or responsibility to any Person (including without limitation Beneficial Owners, Direct Participants, and Indirect Participants) for (i) the accuracy of any records maintained by the Securities Depository or any Direct Participant or Indirect Participant, or (ii) the payment by the Securities Depository or any Direct Participant or Indirect Participant of any amount due to any Beneficial Owner in respect of the Debt Service for any of the Bonds, or (iii) the delivery, or timeliness of delivery by the Securities Depository or any Direct Participant or Indirect Participant of any notice due to any Beneficial Owner which is required or permitted under this Indenture to be given to such Beneficial Owner, or (iv) any act (including without limitation any consent to, or waiver of, any action or inaction) of whatever nature or type by the Securities Depository or Securities Depository Nominee, as Owner.

Section 11.08 Notices to Owners; Waiver

(a) Where this Indenture provides for publication of notice to Owners of any event, such notice shall be sufficiently given (unless otherwise in this Indenture expressly provided) if in writing and mailed, first-class postage prepaid, or sent by Electronic Means, to each Owner of such Bonds, at the address of such Owner as it appears in the Bond Register, not later than the latest date, and not earlier than the earliest date, prescribed for the first publication of such notice.

(b) In any case where notice to Owners is given by mail, neither the failure to mail such notice, nor any defect in any notice so mailed, to any particular Owner shall affect the sufficiency of such notice with respect to other Owners. Where this Indenture provides for notice in any manner, such notice may be waived in writing by the Person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Owners shall be filed with the Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

Section 11.09 Counterparts; Date of Indenture

(a) This Indenture may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

(b) The date of this Indenture is intended as and for a date for the convenient identification of this Indenture and is not intended to indicate that this Indenture was executed and delivered on said date.

Section 11.10 Jurisdiction

(a) All claims of whatever character arising out of this Indenture, or under any statute or common law relating in any way, directly or indirectly, to the subject matter hereof or to the dealings between the Authority and any other party hereto, if and to the extent that such claim potentially could or actually does involve the Authority, will be brought in any state or federal court of competent jurisdiction located in Jefferson County, Alabama.

(b) By executing and delivering this Indenture, each party hereto irrevocably: (i) accepts generally and unconditionally the exclusive jurisdiction and venue of such courts; (ii) waives any defense of forum *non conveniens*; (iii) agrees not to seek removal of such proceedings to any court or forum other than as specified above.

Section 11.11 Authority of Authorized Borrower Representative.

Whenever under the provisions of this Indenture or the Lease Agreement the approval of the Borrower is required, or the Authority or the Trustee is required to take some action at the request of the Borrower, such approval or such request will be made by an Authorized Borrower Representative unless otherwise specified herein or in the Lease Agreement. The Authority or the Trustee is authorized to act on any such approval or request and the Borrower has no complaint against the Authority or the Trustee as a result of any such action taken in accordance with such approval or request. The execution of any document or certificate required under the provisions hereof or of the Lease Agreement by an Authorized Borrower Representative will be on behalf of the Borrower and will not result in any personal liability of such Authorized Borrower Representative.

Section 11.12 Authority of Authorized Signatory.

(a) Whenever under the provisions of this Indenture or the Lease Agreement the approval of the Authority is required, or the Borrower or the Trustee is required to take some action at the request of the Authority, such approval or such request will be made by an Authorized Signatory. The Borrower or the Trustee will be authorized to act on any such approval or request and the Authority has no complaint against the Borrower or the Trustee as a result of any such action taken in accordance with such approval or request. The execution of any document or certificate required under the provisions hereof or of the Lease Agreement by an Authorized Signatory will be on behalf of the Authority and will not result in any personal liability of such Authorized Signatory.

(b) Notwithstanding the foregoing or any other provision hereof to the contrary, whenever any certificate or opinion is required by the terms of this Indenture to be given by the Authority on its own behalf, any such certificate or opinion may be made or given by an Authorized Signatory (and in no event individually) and may be based (i) insofar as it relates to factual matters, upon a certificate of or representation by the Trustee or the Borrowers; and (ii) insofar as it relates to legal or accounting matters, upon a certificate or opinion of or representation by counsel or an accountant, in each case under clause (i) and (ii) without further investigation or inquiry by such Authorized Signatory or otherwise on behalf of the Authority.

Section 11.13 Survival of Provisions.

The provisions of the Lease Agreement and this Indenture and any other document in connection with the issuance of the Bonds to which the Authority is a party concerning (i) the tax-exempt status of Tax-Exempt Bonds (including, but not limited to provisions concerning rebate); (ii) the interpretation of this Indenture; (iii) Governing Law, jurisdiction, and venue; (iv) the Authority's right to rely on written representations of others contained herein or in any other document or instrument issued or entered into in respect of the Bonds, regardless of whether the Authority is a party thereto; (v) the indemnification rights and exculpation from liability of the Authority Indemnified Persons and (vi) any other provision of this Indenture not described or enumerated above that expressly provides for its survival, will survive and remain in full force and effect notwithstanding the payment or redemption in full, or defeasance of the Bonds, the discharge of this Indenture, and the termination or expiration of the Lease Agreement.

Section 11.14 Subordination of Rights of the Borrower.

The Lease Agreement and the rights and privileges thereunder of the Borrower are expressly made subject and subordinate to the rights and privileges of the Trustee and the Owners of the Bonds set forth in this Indenture.

Section 11.15 Notices to Authority and Trustee

(a) All notices, demands, consents, certificates or other communications hereunder shall be in writing, shall be sufficiently given and shall be deemed given when delivered personally to the party or to an officer of the party to whom the same is directed, or mailed by registered or certified mail, postage prepaid, or shall be sufficiently given and deemed given when sent by Electronic Means, or sent by private delivery service as set forth on IRS.gov/PDS, addressed as follows:

(i) if to the Authority:

Homewood City Hall
2850 19th Street South
Homewood, Alabama 35209
Attn. City Attorney

(ii) if to the Trustee:

Regions Bank
1900 5th Avenue North
26th Floor
Birmingham, Alabama 35203
Attn: Corporate Trust Department
Electronic Means:
carmen.kilgore@regions.com

(b) Any such notice or other document shall be deemed to be received as of the date delivered, if delivered personally, or by Electronic Means, or as of three (3) days after the date deposited in the mail, if mailed, or the next business day, if sent by private delivery service.

(c) The Authority and the Trustee may, from time to time, change the address thereof by written notice to the other party, whereupon such notice shall constitute an effective amendment of this Section and the address set forth in such notice shall become the current address for such party for all purposes of this Indenture.

ARTICLE 12

Covenants and Provisions for Tax-Exempt Bonds

Section 12.01 Covenants of the Authority

(a) The Authority covenants and agrees to duly and punctually observe and perform all agreements and covenants thereof under each Tax Agreement.

(b) The Authority covenants and agrees that it will not take or permit any action, fail to take, or require to be taken, any action, permit any action to be taken, which would cause interest on any of the Tax-Exempt Bonds to be or become Taxable.

Section 12.02 Rebate Fund

(a) The Authority creates and establishes with the Trustee a special fund to be designated the "Rebate Fund." There will be established with the Trustee for each series of Tax-Exempt Bonds a separate Account within the Rebate Fund related to such series of Tax-Exempt Bonds. The Rebate Fund is for the sole benefit of the United States of America, is not an Indenture Fund or part of the Trust Estate, is not subject to the claim of any other Person, including, without limitation, the Owners, and will not be available or used for the payment of Debt Service on any of the Bonds upon an Event of Default. The Rebate Fund is established for the purpose of complying with §148 of the Federal Tax Code and the Treasury Regulations thereunder. The money deposited in the Rebate Fund, together with all investments thereof and investment income therefrom, will be held in trust and applied solely as provided in this Section.

(b) The Rebate Fund is not a portion of the Trust Estate and is not subject to the Lien of this Indenture. Amounts in the Rebate Fund will not be used to make Debt Service.

(c) There will be deposited in each Account of the Rebate Fund as and when received (i) money transferred from the Special Additional Rent/Lease Payments Fund, (ii) money transferred from the Indenture Funds under the provisions of subsection (h) and (iii) all other money received by the Trustee when accompanied by directions not inconsistent with the Lease Agreement or this Indenture that such money are to be paid into the Account of the Rebate Fund designated therein.

(d) For each series of Tax-Exempt Bonds, promptly after each Calculation Date, and not later than 30 days after all Bonds of such series are Discharged, the Borrower will engage, and furnish information to, the Rebate Analyst and cause the Rebate Analyst to calculate the Rebate Amount for such series of Tax-Exempt Bonds. The Borrower will provide, or cause the Rebate Analyst to provide, to the Authority and the Trustee a copy of the report of the Rebate Analyst. The Trustee will determine if the amount in the applicable Account(s) of the Rebate Fund is then equal to the calculated Rebate Amount. If the amount in such Account(s) of the Rebate Fund is in excess of the amount required to be therein in accordance with the report of the Rebate Analyst then such excess will be transferred to the Bond Fund. If the amount in such Account(s) of the Rebate Fund is less than the amount required to be deposited therein the Trustee will transfer to such Account(s) of the Rebate Fund such amounts necessary to reserve for the anticipated Rebate Amount payment to the United States Treasury from the Revenue Fund.

(e) If at any time the Borrower is required to retain the Rebate Analyst, but fails to do so, then the Trustee shall notify the University and the Authority, but neither the University nor the Authority shall have any obligation to take further action.

(f) The Trustee has the right, but is not obligated, to seek written instructions from any Rebate Analyst as it deems necessary concerning any payments to be made by it from the Rebate Fund and will be free from any liability for acting in accordance with such reasonable instructions.

(g) The Trustee, on behalf of the Authority, is hereby directed to pay to the United States Treasury such amounts at such times as required by the report of the Rebate Analyst and the applicable Treasury Regulations.

(h) If, at any time when the Trustee is required to withdraw money from any Account(s) of the Rebate Fund, the amount on deposit in such Account(s) of the Rebate Fund is insufficient for the purposes thereof, notwithstanding any investment of money requirements in this Indenture, the Trustee, after first delivering a demand for such deficiency to the Borrower and no money for such purpose having been provided by the Borrower, will transfer money to such Account(s) of the Rebate Fund from the following Indenture Funds in the following order of priority: first, the Revenue Fund, second, the Surplus Fund, third, the Operations Contingency Fund, fourth, the Debt Service Reserve Fund, fifth, the Repair and Replacement Fund, sixth, any construction fund established under a Supplemental Indenture, and seventh the Bond Fund.

(i) The Trustee will comply with the instructions contained in this Indenture and in the Tax Agreement provided that computations and payments may be made on other bases, at other times, and in other amounts, or omitted altogether, all as will be set forth in a Favorable Opinion of Bond Counsel (the "Subsequent Rebate Instructions"), even if such Subsequent Rebate Instructions are different from or inconsistent with this Section. The Trustee is entitled to rely conclusively on the calculations made under this Section and any Subsequent Rebate Instructions and is not responsible for any loss or damage resulting from any action taken or omitted to be taken in reliance on those calculations.

(j) The provisions of this Section supersede the provisions of all other Sections of this Indenture, to the end that the excludability from gross income for the purposes of federal income taxation of interest on series of Tax-Exempt Bonds is not adversely affected as a result of the inadequacy at any time of the Rebate Fund, unless the total amount held by the Trustee under all Indenture Funds established hereunder is insufficient.

(k) If all of the Bonds are Discharged, any amount remaining in any of the Indenture Funds, or Accounts created hereunder, will be transferred to the Rebate Fund to the extent that the amount therein is less than the Rebate Amount calculated as of the final Calculation Date.

(l) The Authority hereby authorizes and directs an Authorized Signatory to execute any documents, certificates, or reports required by the Federal Tax Code and to make such elections on behalf of the Authority that may be permitted by the Federal Tax Code and that are requested by the Borrower.

(m) On the date that is 90 days after all of the Bonds are Discharged, the Trustee will pay all amounts remaining in the Rebate Fund to the University.

(n) The Trustee will retain records of the determination of the amount required to be deposited in the Rebate Fund, of the proceeds of any investments of money in the Rebate Fund and of the amounts paid to the United States Treasury until the date six years after all of the Bonds are Discharged.

ARTICLE 13

Cancellation of Bonds and Discharge of Indenture

IN WITNESS WHEREOF, the Authority has caused this Indenture to be executed in its name and behalf, under its corporate seal hereunto affixed, and the same to be attested, by officers thereof duly authorized thereunto, and the Trustee has caused this Indenture to be executed in its name and on its behalf, under seal, by an officer thereof duly authorized thereunto.

Section 13.01 Surrender of Bonds by Authority

The Authority may at any time surrender to the Trustee for cancellation any Bond which the Authority may have acquired in any manner.

Section 13.02 Cancellation of Surrendered Bonds

The Trustee will promptly cancel and destroy all Bonds delivered or surrendered for payment, redemption, transfer, exchange, or pursuant to Section 13.01.

Section 13.03 Satisfaction and Discharge of Indenture

This Indenture, and the Lien hereof upon the Trust Estate, shall cease, determine and become null and void on the date on which all of the following shall have occurred, whereupon the Trustee shall execute and deliver such instruments of satisfaction and discharge as may be requested by the Authority in writing or required by Applicable Law:

(1) all of the Bonds shall have ceased to accrue interest (i) pursuant to Section 4.04 or (ii) shall be payable solely from a Defeasance Fund; and

(2) the Authority shall have paid, or made provisions satisfactory to the Trustee for payment of:

(i) all reasonable and proper fees, charges, expenses and disbursements of the Trustee for services performed and disbursements made under this Indenture; and

(ii) all amounts necessary to be paid under the Bond documents to effect the discharge and termination of this Indenture; and

(3) the Authority and the Borrower shall have directed the Trustee to discharge and satisfy this Indenture by written instrument of an authorized Borrower Representative.

Section 13.04 Payment of Indenture Funds and Trust Estate

Upon the discharge and termination of this Indenture, the Trustee shall disburse any amounts then in the Indenture Funds, and otherwise held by the Trustee as part of the Trust Estate, to the University or to such other Person as may be entitled thereto by Applicable Law.

THE EDUCATIONAL BUILDING AUTHORITY OF THE CITY OF HOMEWOOD

By _____

Chair

[S E A L]

Attest:

Secretary

REGIONS BANK

as Trustee

By _____

Its _____

AGREEMENT AND CONSENT OF SAMFORD UNIVERSITY

The undersigned Samford University certifies that the above and foregoing Trust Indenture has been reviewed by an Authorized University Representative (as defined in the Indenture) and Samford University agrees and consents to the terms and provisions, and the delivery and performance by the within Authority and Trustee, of the Indenture, including particularly and without limitation the provisions thereof applicable to Samford University.

IN WITNESS WHEREOF, Samford University has caused this Agreement and Consent to be executed
its name, under seal, by an officer thereof duly authorized thereunto.

SAMFORD UNIVERSITY

By _____
President

STATE OF ALABAMA)
JEFFERSON COUNTY)

I, the undersigned, a Notary Public in and for said County in said State, certify that _____, whose name as Chair of The Educational Building Authority of the City of Homewood a public corporation, is signed to the foregoing Trust Indenture and who is known to me, acknowledged before me on this day that, being informed of the contents of said Trust Indenture, he, as such officer and with full authority, executed the same voluntarily for and as the act of said public corporation.

Given under my hand and seal this the _____ day of _____, 2024.

Notary Public

NOTARIAL SEAL

My commission expires: _____

STATE OF ALABAMA)
JEFFERSON COUNTY)

I, the undersigned, a Notary Public in and for said County in said State, certify that _____, whose name as _____ of Regions Bank, as trustee under the foregoing Trust Indenture dated [Month] 1, 2024 by The Educational Building Authority of the City of Homewood, is signed to the foregoing Trust Indenture, and who is known to me, acknowledged before me on this day that, being informed of the contents of said Trust Indenture, (s)he, as such officer and with full authority, executed the same voluntarily for and as the act of Regions Bank acting in its capacity as trustee as aforesaid.

Given under my hand and seal this the _____ day of _____, 2024.

Notary Public

NOTARIAL SEAL

My commission expires: _____

STATE OF ALABAMA)
COUNTY OF JEFFERSON)

I, the undersigned, a Notary Public in and for said county in said state, hereby certify that _____ whose name as _____ of Samford University, a non-profit corporation under the laws of Alabama, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of the said corporation.

GIVEN under my hand and official seal of office, this _____ day of _____, 2024.

Notary Public

My Commission expires: _____

[SEAL]

SCHEDULE 6.07(B)

FORM OF REQUISITION FROM THE REPAIR AND REPLACEMENT FUND

Repair and Replacement Fund

Certificate and Requisition for Payment

Date: _____, 20____

Draw Request #_____

CHF - Horizons II, L.L.C. (the "Borrower") hereby requests, under Section 6.07 of the Trust Indenture (the "Indenture") dated [Month]1, 2024, between The Educational Building Authority of the City of Homewood (the "Authority") and Regions Bank, as Trustee (the "Trustee"), that payment for the account of the Borrower from the Repair and Replacement Fund created under the Indenture be made in the amounts and to the Persons set forth on the attached Schedule.

The Borrower does hereby certify to the Trustee that, as of the date hereof, (1) the representations and warranties of the Borrower in the Lease Agreement (the "Lease Agreement") dated [Month]1, 2024, between the Borrower and the Authority are hereby ratified and confirmed, (2) the above-listed items are maintenance and repair costs related to the Project that the Borrower is obligated to pay the Lease Agreement and (3) no Event of Default has occurred and is continuing under the Indenture or the Lease Agreement.

CHF - HORIZONS II, L.L.C.

By _____

Authorized Borrower Representative

SCHEDULE 6.07(E)

THE REPAIR AND REPLACEMENT FUND REQUIREMENT

THE AMOUNT TO BE PAID INTO THE REPAIR AND REPLACEMENT FUND SHALL BE EQUAL TO THE PRODUCT OF

(A) \$_____ MULTIPLIED BY (B) THE NUMBER OF BEDS IN THE PROJECT IN THE THEN CURRENT ANNUAL PERIOD

MULTIPLIED BY (C) THE PRODUCT OF (I) 1.03 MULTIPLIED BY (II) THE NUMBER OF COMPLETE ANNUAL PERIODS THAT HAVE OCCURRED SINCE THE INITIAL COMPLETION DATE.

ANNUAL PERIOD ENDING	TOTAL AMOUNT
JUNE 30	_____
2026	\$_____

SCHEDULE 6.08

FORM OF REQUISITION FROM THE INSURANCE AND CONDEMNATION FUNDS

[Insurance/Condemnation] Fund

Certificate and Requisition for Payment

Date: _____, 20____

Draw Request #____

CHF - Horizons II, L.L.C. (the "Borrower") hereby requests, under Section 6.08 of the Trust Indenture (the "Indenture") dated as of [Month] 1, 2024, between The Educational Building Authority of the City of Homewood (the "Authority") and Regions Bank as Trustee (the "Trustee"), that payments for the account of the Authority from the [Insurance/Condemnation] Fund (the "[Insurance/Condemnation] Fund") created under the Indenture be made for the payment of costs described in Sections 4.05 or 9.0____ of the Lease Agreement (the "Lease Agreement") dated [Month] 1, 2024, between the Borrower and the Authority be made in the amounts and to the Persons set forth on the attached Schedule.

The Borrower does hereby certify to the Trustee that, as of the date hereof, (1) the representations and warranties of the Borrower in the Lease Agreement are hereby ratified and confirmed and (2) the payment of the above-listed items from the [Insurance/Condemnation] Fund, together with the payment of all prior requisitions from the Construction Fund created under the Indenture, the [Insurance/Condemnation] Fund, and the [Condemnation/Insurance] Fund created under the Indenture, will not result in more than 5% of the proceeds of the Series _____ Bonds being used directly or indirectly in any trade or business carried on by any person who is not a "501(c)(3) organization" or a "governmental unit," within the meaning of §145 of the Internal Revenue Federal Tax Code of 1986, as amended, or in any unrelated trade or business of a 501(c)(3) organization, and (3) no Event of Default has occurred and is continuing under the Indenture or the Lease Agreement.

CHF - HORIZONS II, L.L.C.

By _____
Authorized Borrower Representative

SCHEDULE 6.09

FORM OF REQUISITION FROM THE OPERATIONS CONTINGENCY FUND

Operations Contingency Fund

Certificate and Requisition for Payment

Date: _____, 20____-

Draw Request #____

CHF - Horizons II, L.L.C. (the "Borrower") hereby requests, under Section 6.09 of the Trust Indenture (the "Indenture") dated [Month]1, 2024, between The Educational Building Authority of the City of Homewood (the "Authority") and Regions Bank as Trustee (the "Trustee") that payments for the account of the Borrower from the Operations Contingency Fund created under the Indenture be made in the amounts and to the Persons set forth on the attached Schedule.

The Borrower does hereby certify to the Trustee that, as of the date hereof, (1) the representations and warranties of the Borrower in the Lease Agreement (the "Lease Agreement") dated [Month] 1, 2024, between the Borrower and the Authority are hereby ratified and confirmed, (2) the above-listed items are authorized by the provisions of Section 6.09 of the Indenture and (3) no Event of Default has occurred and is continuing under the Indenture or the Lease Agreement.

CHF - HORIZONS II, L.L.C.

By _____
Authorized Borrower Representative

The undersigned hereby approves the within requisition for payment.

SAMFORD UNIVERSITY

By _____
Authorized Representative

Exhibit A

Description of the Property

[THIS PAGE INTENTIONALLY LEFT BLANK]

SERIES 2024-C SUPPLEMENTAL TRUST INDENTURE

SERIES 2024-C SUPPLEMENTAL TRUST INDENTURE

[Month] 1, 2024

THE EDUCATIONAL BUILDING AUTHORITY OF THE CITY OF HOMEOOD

and

REGIONS BANK
as Trustee

Regarding

Revenue Bonds
(CHF - Horizons II, L.L.C. Student Housing/Parking Project at Samford University)
Tax-Exempt Series 2024-C

Notice of Supplement of Original Indenture

This Series 2024-C Supplemental Trust Indenture is delivered in supplement of that certain Trust Indenture dated [Month] 1, 2024 by the Authority and the Trustee and recorded in _____ in the Office of the Judge of Probate of Jefferson County, Alabama.

This Series 2024-C Supplemental Trust Indenture was prepared by Heyward C. Hosch, Barry A. Staples and Ann W. Todd of Maynard Nexsen P.C.

[Month] 1, 2024

This Series 2024-C Supplemental Trust Indenture is made and entered as of the above date by the undersigned:

Authority: The Educational Building Authority of the City of Homewood
Trustee: Regions Bank, as trustee

Recitals

The Authority has authorized and delivered this Series 2024-C Supplemental Trust Indenture to the Trustee pursuant to the Act and in supplement of the within Indenture by the Authority and the Trustee to provide for the issuance of the within Revenue Bonds (CHF - Horizons II, L.L.C. Student Housing/Parking Project at Samford University), Tax-Exempt Series 2024-C, under the Indenture for the purposes described herein.

Agreement

Now therefore, in consideration of the respective agreements and covenants of the Authority, the Trustee, and the registered owners of the Series 2024-C Bonds, by acquisition thereof, hereby covenant and agree, each with the others, as follows:

ARTICLE 1

Definitions

Section 1.01 Incorporation from Indenture of Defined Terms

The Authority and the Trustee incorporate and use herein certain capitalized terms as such terms are defined in the within Original Indenture.

Section 1.02 Definition of Certain Terms

For purposes hereof:

Architect Agreement means collectively:

- (i) for the Student Housing Facilities Project, the "Agreement Between Owner and Architect" dated _____, 2024, as at any time amended, restated or supplemented, by the University and Perkins & Will; and
- (ii) for the Parking Facilities Project, the "Agreement Between Owner and Architect" dated _____, 2024, as at any time amended, restated, or supplemented, by the University and Davis Architects, Inc.

Architect Consent and Agreement to Perform means the Consent and Agreement (Architect) with respect to the Series 2024-C Project, effective as of the Closing Date, as at any time amended, restated or supplemented, by the University in favor of the Trustee.

Authorized Denominations means, for the Series 2024-C Bonds, the amount of \$5,000 and any integral multiple thereof for each maturity.

Bond Purchase Agreement means the Bond Purchase Agreement dated the date of delivery thereof, with respect to the Series 2024-C Bonds, by the Authority and the Underwriter.

Borrower Security Agreement means the Borrower Security Agreement dated [Month] 1, 2024, with respect to the Series 2024-C Project, as at any time amended, restated or supplemented, by the Borrower in favor of the Trustee.

Continuing Disclosure Agreement means the Continuing Disclosure Agreement dated the Date of Initial Delivery by the Authority in compliance with 17 CFR Section 240.15c2-12 for the benefit of the Series 2024-C Bonds.

Contractor means The Robins & Morton Group.

Construction Contracts means collectively:

- (i) for the Student Housing Facilities Project, the Agreement Between Owner and Construction Manager dated January 15, 2024, as at any time amended, restated, or supplemented, by the University and the Contractor; and

- (ii) for the Parking Facilities Project, the Agreement Between Owner and Construction Manager dated January 15, 2024, as at any time amended, restated or supplemented, by the University and the Contractor.

Contractor Consent and Agreement to Perform means the Consent and Agreement (Contractor) with respect to the Series 2024-C Project, effective as of the Closing Date, as at any time amended, restated or supplemented, by the University in favor of the Trustee.

Series 2024-C Project Acquisition Contracts means collectively for the Series 2024-C Project: (i) the Construction Contracts, (ii) the Architect Agreement, (iii) the Development Agreement and (iv) the other contracts, if any, relating to the acquisition, construction and installation of the Series 2024 Project.

Date of Initial Delivery means _____, 2024.

Developer Consent and Agreement to Perform means the Consent and Agreement (Developer) with respect to the Series 2024-C Project, effective as of the Closing Date, as at any time amended, restated or supplemented, by the University in favor of Trustee.

Development Agreement means collectively:

- (i) for the Student Housing Facilities Project, the Development Manager Service Agreement dated _____, 2024, as at any time amended, restated or supplemented, by the University and the Developer; and

- (ii) for the Parking Facilities Project, the Development Manager Service Agreement dated _____, 2024, as at any time amended, restated or supplemented, by the University and the Developer; and

Developer Indemnity Letter means the indemnity letter dated the date of delivery from the Developer to the Authority, the Borrower, and the Underwriter with respect to the Series 2024-C Project.

Indenture means the Original Indenture, as amended, restated, and supplemented pursuant to the provisions thereof, by the Authority and the Trustee.

Original Indenture means the Trust Indenture dated [Month] 1, 2024, by the Authority and the Trustee.

Parking Facilities Project means capital improvements consisting of the expansion and improvement of the North Parking Deck of the University and related facilities.

Series 2024-C Bond Proceeds means the amount of \$_____, being the principal amount of \$_____. original issue _____ of \$_____ and less underwriting discount of \$_____.

Series 2024-C Bonds means the Revenue Bonds (CHF - Horizons II, L.L.C. Student Housing/Parking Project at Samford University), Tax-Exempt Series 2024-C, of the Authority.

Series 2024-C Construction Fund means the Fund created by the Authority pursuant to Section 3.04.

Series 2024-C Project means collectively the Student Housing Facilities Project and the Parking Facilities Project.

Series 2024-C Project Acquisition Contracts means collectively for the Series 2024-C Project: (i) the Construction Contracts, (ii) the Architect Agreement, (iii) the Development Agreement and (iv) the other contracts, if any, relating to the acquisition, construction and installation of the Series 2024 Project.

Student Housing Facilities Project means capital improvements consisting of dormitories and residence facilities for resident students of the University and related facilities.

Tax Agreement means the Tax Certificate and Agreement dated the Closing Date with respect to the Series 2024-C Bonds by the Authority, the Borrower, and the University.

Underwriter means collectively RBC Capital Markets, LLC and Stifel, Nicolaus & Company, Incorporated.

University means Samford University and the successors and assigns thereof.

University Collateral Assignment means the University Collateral Assignment Agreement dated [Month] 1, 2024, with respect to the Series 2024-C Project, as at any time amended, restated or supplemented, by the University in favor of the Borrower.

ARTICLE 2

The Series 2024-C Bonds

Section 2.01 Compliance with Original Indenture

The Authority represents:

- (1) the Series 2024-C Bond Proceeds shall be applied as provided herein for the payment of Costs of the Project for the Series 2024-C Project;
- (2) no Event of Default exists under the Indenture;
- (3) all required deposits into the Indenture Funds will be made simultaneously with the issuance of the Series 2024-C Bonds;
- (4) the Series 2024-C Project constitutes "ancillary improvements" within the meaning of the Authorizing Act.

Section 2.02 Authorization of Series 2024-C Bonds

(a) Authorization

The Authority authorizes to be issued under and secured by the Indenture a series of Bonds in maximum aggregate principal amount of \$XXX and designated "Revenue Bonds (CHF - Horizons II, L.L.C. Student Housing/Parking Project at Samford University), Tax-Exempt Series 2024-C" for the acquisition of the Series 2024-C Project.

(b) Authorized Denominations and Form of Series 2024-C Bonds

The Series 2024-C Bonds shall be issued and delivered in certificated form as set forth on Exhibit A (with such changes thereto as required by Applicable Law on the Date of Initial Delivery) as a single bond for each stated maturity thereof in integral multiples of an Authorized Denomination and numbered consecutively in the order of issuance.

(c) Initial Issuance Pursuant to Book-Entry System

The Series 2024-C Bonds will be initially held pursuant to a Book-Entry System administered by the Securities Depository. On the Date of Initial Delivery, the certificated Bond for each stated maturity thereof will be registered in the name of the Securities Depository Nominee and delivered to, and held in the custody of, the Securities Depository or the Trustee in accordance with the applicable rules of the Securities Depository.

(d) Date

The Series 2024-C Bonds shall be dated the date of delivery and payment therefor.

(e) Principal Payments and Interest Rates

The principal of the Series 2024-C Bonds will mature on the Stated Principal Payment Date in each of the following years and principal amounts, subject to prior extraordinary, mandatory and optional redemption, and will accrue interest at the following per annum rates of interest:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
-------------	-------------------------	----------------------

(f) Optional Redemption

The Series 2024-C Bonds having stated maturities in 20 [33] and thereafter are subject to prior redemption on _____ 1, 20____, or on any Business Day thereafter, in whole, or in part in Authorized Denominations, at the option of the Authority on the written direction of the Borrower (the Authority being deemed, without action on its part, to have exercised such option upon delivery of such request by the Borrower) at such times, and in such order and amounts of maturities (by random selection within a maturity) as the Borrower shall direct in writing, at a redemption price equal to 100% of the principal amount to be redeemed, plus accrued interest to the date fixed for redemption, without premium or penalty.

(g) Mandatory Redemption

The Series 2024-C Bonds are subject to scheduled mandatory redemption as follows:

- (1) The Authority authorizes and directs the Trustee to effect the mandatory redemption of those of the Series 2024-C Bonds having a stated maturity on the Stated Principal Payment Date in 20____ (the "20YY Term Bonds") without consent of or direction by the Authority or the Borrower, by lot, on the Stated Principal Payment Date in each of the years and in the aggregate principal amounts set forth below (subject to a credit for the principal amount of the 20YY Term Bonds then cancelled or redeemed and not previously claimed as a credit, and without regard to any prior extraordinary mandatory redemption or optional redemption of the 20YY Term Bonds and without reduction of the principal amount subject to mandatory redemption in any year by reason of such prior extraordinary mandatory redemption or optional redemption) at a redemption price for each 20YY Term Bond to be redeemed equal to the principal amount thereof, plus accrued interest thereon to the redemption date, without premium or penalty:

<u>Year</u>	<u>Principal Amount to Be Mandatorily Redeemed</u>
-------------	--

(2) The Authority authorizes and directs the Trustee to effect the mandatory redemption of those of the Series 2024-C Bonds having a stated maturity on the Stated Principal Payment Date in 20____ (the "20YY Term Bonds") without consent of or direction by the Authority or the Borrower, by lot, on the Stated Principal Payment Date in each of the years and in the aggregate principal amounts set forth below (subject to a credit for the principal amount of the 20YY Term Bonds then cancelled or redeemed and not previously claimed as a credit, and without regard to any prior extraordinary mandatory redemption or optional redemption of the 20YY Term Bonds and without reduction of the principal amount subject to mandatory redemption in any year by reason of such prior extraordinary mandatory redemption or optional redemption) at a redemption price for each 20YY Term Bond to be redeemed equal to the principal amount thereof, plus accrued interest thereon to the redemption date, without premium or penalty:

<u>Year</u>	Principal Amount to Be <u>Mandatorily Redeemed</u>
-------------	---

(h) Extraordinary Redemption

The Series 2024-C Bonds are subject to extraordinary redemption on any Business Day in whole, or in part in Authorized Denominations, at the option of the Authority on the written direction of the Borrower (the Authority being deemed, without action on its part, to have exercised such option upon delivery of such request by the Borrower) at such times, and in such order and amounts of maturities (by random selection within a maturity) as the Borrower shall direct in writing, at a redemption price equal to 100% of the principal amount to be redeemed, plus accrued interest to the date fixed for redemption, plus the unamortized amount of any original issue premium on the Series 2024-C Bonds called for redemption, and otherwise without premium or penalty, from amounts deposited in the Redemption Fund pursuant to this Indenture from any one or more of the following sources, in an amount equal to such deposit (rounded down to the next highest Authorized Denomination):

- (1) any amount received by the Trustee as Net Proceeds of title insurance pursuant to Section 4.05 of the Lease Agreement; or
- (2) any amount received by the Trustee as Net Proceeds of a disposition of any Equipment pursuant to Section 8.02 of the Lease Agreement; or
- (3) any amount received by the Trustee as monetary consideration in connection with the release of, or the subordination of the Leasehold Mortgage to, any portion of the Project pursuant to written request of the Authority, the Borrower and the University in order that utility services or public services may be provided to the Project; or
- (4) any amounts on deposit in an account of a construction fund which are transferred to the Trustee for deposit in the Redemption Fund with a written certificate of an Authorized Borrower Representative to the effect that no further disbursements will be requested from such Account; or
- (5) any amounts transferred to the Redemption Fund by the Trustee pursuant to the following sections of the Original Indenture:
 - (i) Section 6.02 (c), (d), and (e); and
 - (ii) Section 6.04(c); and
 - (ii) Section 6.05(d).

Section 3.02 Delivery of Series 2024-C Bonds

The Authority authorizes and directs the Trustee to authenticate and deliver the Series 2024-C Bonds upon receipt by the Trustee of all of the following:

- (1) the executed Series 2024-C Bonds;
- (2) executed counterparts of the Bond Documents;
- (3) the Series 2024-C Bond Proceeds;
- (4) the Developer Indemnity Letter;
- (5) the certificates, documents, legal opinions, proceedings, required by the Bond Purchase Agreement as certified to the Trustee by the Underwriter.

Section 3.03 Application of Series 2024-C Bond Proceeds

The Authority authorizes and directs the Trustee to deposit the Series 2024-C Bond Proceeds, when and as received on the Date of Initial Delivery, as follows:

- (1) the amount of \$_____ shall be deposited in the Series 2024-C Account of the Debt Service Reserve Fund; and
- (2) the amount of \$_____ shall be deposited in the Issuance Costs Account of the Series 2024-C Construction Fund; and
- (3) the amount of \$_____ shall be deposited in the Capitalized Interest Account of the Series 2024-C Construction Fund; and
- (4) the amount of \$_____ shall be deposited in the Student Housing Project Account of the Series 2024-C Construction Fund; and
- (5) the amount of \$_____ shall be deposited in the Parking Facilities Project Account of the Series 2024-C Construction Fund.

Section 3.04 Series 2024-C Construction Fund

(a) The Authority creates a Fund designated the "Series 2024-C Construction Fund" to be held and applied by the Trustee as provided in this Section, and which Fund shall consist of the following accounts, hereby created:

- (1) the Issuance Costs Account;
- (2) the Capitalized Interest Account;
- (3) the Student Housing Project Account;
- (4) the Parking Facilities Project Account.

(b) The Authority authorizes and directs the Trustee to apply the funds in the Accounts of the Series 2024-C Construction Fund in:

- (1) the Issuance Costs Account, without further authorization or direction by the Authority, the Borrower or any other Person, to pay the Costs of the Project which constitute Issuance Costs for the Series 2024-C Bonds upon receipt by the Trustee of a requisition therefor in substantially the form of Schedule 3.04(b)(1) hereto, appropriately completed and properly executed; and
 - (2) the Capitalized Interest Account, without further authorization or direction by the Authority, the Borrower, or any other Person, to pay interest on the Series 2024-C Bonds on each Stated Interest Payment Date during the period beginning on the Date of Initial Delivery and ending on February 1, 2026; and
 - (3) the Student Housing Facilities Project Account for the payment of Costs of the Project with respect to the Student Housing Facilities Project, upon receipt by the Trustee of a requisition therefor in substantially the form of Schedule 3.04(b)(3) hereto, appropriately completed and properly executed; and
 - (4) the Parking Facilities Project Account for the payment of Costs of the Project with respect to the Parking Facilities Project, upon receipt by the Trustee of a requisition therefor in substantially the form of Schedule 3.04(b)(4) hereto, appropriately completed and properly executed.
- (c) The Authority authorizes and directs the Trustee to apply the funds in the Accounts of the Series 2024-C Construction Fund for the following purposes upon receipt of (i) a Certificate of an Authorized Borrower Representative to the effect that all Costs of the Project for the Series 2024-C Project shall have been paid in full and directing the application of such funds for the following purposes and (ii) a Favorable Opinion of Bond Counsel with respect thereto:
- (1) deposit in the Account of the Bond Fund for the Series 2024-C Bonds; and
 - (2) payment of Capital Expenditures for the Project or property of the University.

ARTICLE 4

Series 2024-C Account of Debt Service Reserve Fund

Section 4.01 Series 2024-C Account of Debt Service Reserve Fund

The Authority authorizes and directs the Trustee to establish an Account in the Debt Service Reserve Fund designated the "Series 2024-C Account", to be held and applied as provided in the Indenture therefor, for the exclusive benefit of the Series 2024-C Bonds.

Section 4.02 Debt Service Reserve Requirement for the Series 2024-C Account

The Authority provides the Debt Service Reserve Requirement for the Series 2024-C Account shall be:

- (1) for the period beginning on the Date of Initial Delivery and continuing until and including _____, the amount of \$_____; and
- (2) for the period beginning on _____ and continuing thereafter, the amount of \$_____, which amount is less than, or equal to the least of, (i) the maximum amount of principal of and interest on such Bonds payable in any Fiscal Year (\$_____), or (ii) 125% of the average annual (Fiscal Year basis) principal and interest requirements on such Bonds, determined in accordance with the Federal Tax Code (\$_____), or (iii) 10% of the stated aggregate principal amount of such Bonds, determined in accordance with the Federal Tax Code (\$_____).

Section 4.03 Application of Series 2024-C Account

The Authority authorizes and directs the Trustee to apply the funds on deposit in, or credited to, the Series 2024-C Account as follows:

- (1) transfer to the Redemption Fund as provided in Section 6.02 (d) and (e) of the Indenture; and
- (2) transfer to the Account of the Bond Fund for the Series 2024-C Bonds as provided, and in the order of transfers, in Section 6.04(d); and
- (3) transfer to the Rebate Fund as provided, and in the order of transfers, in Section 12.02(h).

ARTICLE 5

Covenants of Authority

Section 5.01 Compliance with the Continuing Disclosure Agreement

The Authority covenants and agrees to observe and perform the agreements of the Authority set forth in the Continuing Disclosure Agreement in due time, form and manner as required thereby; provided, the Owners will have only the rights and remedies set forth in the Continuing Disclosure Agreement for the enforcement of the agreements of the Authority thereunder and the failure of the Authority to observe or perform any such agreement of the Authority will not constitute an Event of Default under the Indenture.

Section 5.02 Compliance with the Federal Tax Code

The Authority covenants and agrees, for the benefit of the Series 2024-C Bonds, that the Authority will:

- (1) duly and punctually observe, perform and comply with all agreements and covenants thereof under the Tax Certificate and Agreement delivered by the Authority, the Borrower and the University simultaneously with the delivery of the Series 2024-C Bonds; and
- (2) not take any action, or omit to take any action, with respect to the Series 2024-C Bonds that would cause the interest on the Series 2024-C Bonds to be or become Taxable.

ARTICLE 6

Provisions of General Application

Section 6.01 Governing Law

The Indenture, as supplemented and amended hereby, shall be construed in accordance with and governed by the laws of the State of Alabama, without regard to conflict of law principles.

Section 6.02 Enforceability

If any provision herein shall be held invalid, illegal or unenforceable by any court of competent jurisdiction, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby.

ARTICLE 7

Confirmation of Indenture

The Authority, the Trustee, and, by acceptance of the Series 2024-C Bonds, the Owners thereof, agree:

(1) this Series 2024-C Supplemental Trust Indenture is delivered in supplement to the Original Indenture, as part thereof, and shall be construed in accordance with, and governed by, the terms of the Original Indenture; and

(2) the Original Indenture, as hereby supplemented and amended, is hereby ratified, confirmed, and approved in all respects.

IN WITNESS WHEREOF, the Authority has caused this Supplemental Indenture to be executed in its name and behalf, under its corporate seal hereunto affixed, and the same to be attested, by officers thereof duly authorized thereunto, and the Trustee has caused this Supplemental Indenture to be executed in its name and on its behalf, under its corporate seal hereunto affixed, and the same to be attested, by officers thereof duly authorized thereunto.

**THE EDUCATIONAL BUILDING AUTHORITY OF THE
CITY OF HOMEWOOD**

By _____
Chairman

S E A L

Attest: _____
Secretary

REGIONS BANK
as Trustee

By _____
Its _____

[S E A L]

Attest: _____
Its: _____

EXHIBIT A
TO
SERIES 2024-C SUPPLEMENTAL TRUST INDENTURE

The form of the Series 2024-C Bonds begins on the following page.

This Bond has not been registered under the Securities Act of 1933, as amended, or under any state securities law, in reliance upon applicable exemptions, and this Bond, or any interest herein, may only be transferred in compliance with federal and state securities laws and in compliance with the within referenced Indenture.

UNITED STATES OF AMERICA
STATE OF ALABAMA

THE EDUCATIONAL BUILDING AUTHORITY OF THE CITY OF HOMEWOOD

REVENUE BOND
(CHF - Horizons II, L.L.C. Student Housing/Parking Project at Samford University)
Tax-Exempt Series 2024-C

Registered Owner:	Bond No.
-------------------	----------

CEDE & CO.	R-
------------	----

Dated Date:	Principal Amount:	Interest Rate per annum:	Stated Interest Payment Dates:	Maturity Date:	CUSIP:
_____, 2024	\$_____	_____%	April 1 and October 1	October 1, 20____	—

Authorization of Indebtedness and Payment

For Value Received, The Educational Building Authority of the City of Homewood, a public corporation under the laws of the State of Alabama (the "Authority"), has issued this Bond pursuant to that certain Trust Indenture dated [Month] 1, 2024 (as at any time amended or supplemented, the "Indenture") by the Authority and Regions Bank, as trustee (the "Trustee") in evidence of indebtedness thereof to the Registered Owner, or registered assigns, in the Principal Amount and hereby promises to pay to the Registered Owner, through the Trustee, as Paying Agent, and Bond Registrar for the Series 2024-C Bonds, and solely from the Trust Estate as provided in the Indenture, (i) the Principal Amount on the Maturity Date, subject to prior redemption (in whole or in part) thereof as provided in the Indenture, and (ii) interest accrued on the outstanding amount of such Principal Amount at the Interest Rate, computed from the Dated Date, on the Stated Interest Payment Dates and on each date fixed for redemption (in whole or in part) of this Bond, as provided in the Indenture.

Definition of Terms

Capitalized terms used in this Bond without definition shall have the respective meanings assigned thereto in the Indenture.

The Indenture

The Indenture is held by the Trustee at the Principal Office thereof referenced in the Indenture and constitutes a contractual agreement binding upon the Authority, the Trustee and the registered owners of the Series 2024-C Bonds under the laws of the State of Alabama for (i) the source of payment of, and security for, the Series 2024-C Bonds; (ii) the registration, transfer, exchange and replacement of the Series 2024-C Bonds; (iii) the redemption, in advance of maturity, of the Series 2024-C Bonds; (iv) the payment of the Series 2024-C Bonds and the defeasance of the Indenture; (v) the amendment and supplement of the Indenture (without consent, or with the consent of the registered owners of a specified percentage, or all, of the principal amount of the Series 2024-C Bonds); (vi) the rights and duties of the Authority and the Trustee; and (vii) the enforcement of the Indenture by the registered owners of a specified percentage, or all, of the principal amount of the Series 2024-C Bonds.

Agreement of Registered Owners of Series 2024-C Bonds

The Indenture provides the registered owner of each of the Series 2024-C Bonds, by acquisition thereof, shall have thereby consented to, and agreed to be bound by, the provisions of the Indenture.

Certification

The Authority recites, certifies and declares that all conditions, actions and things required by the Constitution of Alabama of 2022 and laws of the State of Alabama, to exist, be performed and happen precedent to or in the issuance of this Bond do exist, have been performed and have happened in due time, form and manner as required by law.

IN WITNESS WHEREOF, The Educational Building Authority of the City of Homewood has caused this Bond to be executed in its name and on its behalf, under seal, and the same attested, by officers thereof duly authorized thereunto, on the Dated Date set forth above.

**THE EDUCATIONAL BUILDING AUTHORITY OF THE
CITY OF HOMWOOD**

Chair

S E A L

Attest:

By: _____
Secretary

Date of Authentication and Registration: _____, 2024

Certificate of Authentication and Registration

This is one of the Series 2024-C Bonds referenced in the within-mentioned Trust Indenture and has been registered by The Educational Building Authority of the City of Homewood on the registration books maintained with the Trustee in the name of the above-named registered owner on the Authentication and Registration Date specified above.

Regions Bank
as Trustee

Authorized Officer

Assignment

For value received, _____ hereby sell(s), assign(s) and transfer(s) unto _____ this Bond and hereby irrevocably constitute(s) and appoint(s) _____ attorney to transfer this Bond on the books of the within-named Authority at the office of the within-named Trustee, with full power of substitution in the premises.

DATED this ____ day of _____, ____.

NOTE: The name signed to this assignment must correspond with the name of the payee written on the face of the within bond in every particular, without alteration, enlargement or change whatsoever.

Signature Guaranteed*:

(Bank or Trust Company)

(Authorized Officer)

Medallion Number: _____

* Signature(s) must be guaranteed by an eligible guarantor institution which is a member of the recognized signature guarantee program, i.e., Securities Transfer Agents Medallion Program (STAMP), Stock Exchanges Medallion Program (SEMP), or New York Stock Exchange Medallion Signature Program (MSP).

Notice By Securities Depository

Unless the within Bond is presented by an authorized representative of the Securities Depository (as defined in the Indenture referenced in the within Bond), to the Board or its agent for registration of transfer, exchange, or payment, and any Series 2024-C Bond issued is registered in the name of the Securities Depository or the Securities Depository Nominee (as defined in the Indenture referenced in the within Bond), as the case may be, or in such other name as is requested by an authorized representative of the Securities Depository (and any payment is made to the Securities Depository or the Securities Depository Nominee or to such other entity as is requested by an authorized representative of the Securities Depository), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, the Securities Depository or Securities Depository Nominee, as the case may be, has an interest herein.

SCHEDULE 3.04(b)(1)

THE EDUCATIONAL BUILDING AUTHORITY OF THE CITY OF HOMewood

Requisition and Payment Request for Issuance Costs Account

Requisition and Payment Request for Issuance Costs Account

To: Regions Bank, as Trustee

Re: Issuance Costs Account of the Series 2024-C Construction Fund under Trust Indenture dated [Month] 1, 2024 by The Educational Building Authority of the City of Homewood and Regions Bank, as trustee

Date: _____, 2024

-
1. Capitalized terms used herein without definition shall have the respective meanings assigned thereto the above Indenture.
 2. The undersigned authorize and direct the Trustee to pay from the Issuance Costs Account of the Series 2024-C Construction Fund the amounts to the Persons set forth in the attached instructions not later than _____, 2024.
 3. The Borrower does hereby certify to the Trustee that, as of the date hereof, (i) the representations and warranties of the Borrower in the Lease Agreement are hereby ratified and confirmed, (ii) the amounts described in the attached instructions constitute Issuance Costs, and (iii) no Event of Default has occurred and is continuing under the Lease Agreement.

By **CHF - HORIZONS II, L.L.C.**

By: Collegiate Housing Foundation
As sole member
As Authorized Borrower Representative

By_____

Its_____

SCHEDULE 3.04(b)(3)

Requisition and Payment Request for Student Housing Facilities Project Account

Construction Costs

**THE EDUCATIONAL BUILDING AUTHORITY OF THE CITY OF HOMEWOOD
Requisition and Payment Request for Student Housing Facilities Project Account
Construction Costs**

To: Regions Bank, as Trustee

Re: Student Housing Facilities Project Account of the Series 2024-C Construction Fund under Trust Indenture dated [Month] 1, 2024 by The Educational Building Authority of the City of Homewood and Regions Bank, as trustee

Date: _____, 202____

Req. No. _____

1. Capitalized terms used herein without definition shall have the respective meanings assigned thereto in the above Indenture.

2. The undersigned authorize and direct the Trustee to pay from the Student Housing Facilities Project Account of the Series 2024-C Construction Fund the amount(s) to the Persons set forth in the attached Application and Certificate for Payment[(AIA Form G702)] (the "Application and Certificate") and the attached Continuation Sheets[(AIA Document G703)] ("Continuation Sheets") for the payment of Construction Costs for the account of the Borrower. Attached hereto is evidence of prior payment by the Borrower or the Authority to the appropriate contractor or supplier under the Series 2024-C Project Acquisition Contracts.] [To be included only if requisition includes any reimbursement to the Borrower or the Authority]

3. The Borrower does hereby certify to the Trustee that, as of the date hereof, (1) the representations and warranties of the Borrower in the Lease Agreement are hereby ratified and confirmed and (2) the items described in the attached Application and Certificate for Payment and Continuation Sheets are Construction Costs, (3) [the payment of the amounts set forth in the Application and Certificate and Continuation Sheets from the Student Housing Facilities Account of the Series 2024-C Construction Fund, together with the payment of all prior requisitions from such Account, will not result in more than 5% of the proceeds of the Series 2024-C Bonds used directly or indirectly in any trade or business carried on by any person who is not a "501(c)(3) organization" or a "governmental unit," within the meaning of §145 of the Internal Revenue Federal Tax Code of 1986, as amended, or in any unrelated trade or business of a 501(c)(3) organization], and (4) no Event of Default has occurred and is continuing under the Lease Agreement.

By **CHF - HORIZONS II, L.L.C.**

By: Collegiate Housing Foundation
As sole member
As Authorized Borrower Representative

By_____

Its_____

Approved By:

SAMFORD UNIVERSITY

By _____

Authorized University Representative

SCHEDULE 3.04(b)(3)

Requisition and Payment Request for Student Housing Facilities Project Account

Non-Construction Costs

_____, as Developer, hereby approves the foregoing requisition and in doing so, makes
the certifications specified in Section 6.02(d)(1)(ii) of the Lease Agreement and Section _____ of the Development
Agreement on this ____ day of _____, 20____.

Its: Authorized Developer Representative

THE EDUCATIONAL BUILDING AUTHORITY OF THE CITY OF HOMewood
Requisition and Payment Request for Student Housing Facilities Project Account
Non-Construction Costs

To: Regions Bank, as Trustee

Re: Student Housing Facilities Project Account of the Series 2024-C Construction Fund under Trust Indenture dated [Month] 1, 2024 by The Educational Building Authority of the City of Homewood and Regions Bank, as trustee

Date: _____, 202____

Req. No. _____

1. Capitalized terms used herein without definition shall have the respective meanings assigned thereto in the above Indenture.

2. The undersigned authorize and direct the Trustee to pay from the Student Housing Facilities Project Account of the Series 2024-C Construction Fund the amount(s) to the Persons set forth in the attached instructions for the payment of Non-Construction costs for the account of the Borrower.

3. The Borrower does hereby certify to the Trustee that, as of the date hereof, (1) the representations and warranties of the Borrower in the Lease Agreement are hereby ratified and confirmed and (2) the items described in the attached instructions are Non-Construction Costs, (3) the payment of the amounts set forth in the attached instructions from the Student Housing Facilities Account of the Series 2024-C Construction Fund, together with the payment of all prior requisitions from such Account, will not result in more than 5% of the proceeds of the Series 2024-C Bonds used directly or indirectly in any trade or business carried on by any person who is not a "501(c)(3) organization" or a "governmental unit," within the meaning of §145 of the Internal Revenue Federal Tax Code of 1986, as amended, or in any unrelated trade or business of a 501(c)(3) organization], and (4) no Event of Default has occurred and is continuing under the Lease Agreement.

By CHF - HORIZONS II, L.L.C.

By: Collegiate Housing Foundation
As sole member
As Authorized Borrower Representative

By_____

Its_____

Approved By:

SAMFORD UNIVERSITY

By_____

Authorized University Representative

_____, as Developer, hereby approves the foregoing requisition and in doing so, makes the certifications specified in Section 6.02(c)(1) of the Lease Agreement and Section _____ of the Development Agreement on this ___ day of _____, 20____.

By_____

Its: Authorized Developer Representative

SCHEDULE 3.04(b)(4)

Requisition and Payment Request for Parking Facilities Project Account

Construction Costs

THE EDUCATIONAL BUILDING AUTHORITY OF THE CITY OF HOMWOOD

Requisition and Payment Request for Parking Facilities Project Account

Construction Costs

To: Regions Bank, as Trustee

Re: Parking Facilities Project Account of the Series 2024-C Construction Fund under Trust Indenture dated [Month] 1, 2024 by The Educational Building Authority of the City of Homewood and Regions Bank, as trustee

Date: _____, 202____

Req. No. _____

1. Capitalized terms used herein without definition shall have the respective meanings assigned thereto in the above Indenture.

2. The undersigned authorize and direct the Trustee to pay from the Parking Facilities Project Account of the Series 2024-C Construction Fund the amount(s) to the Persons set forth in the attached Application and Certificate for Payment[(AIA Form G702)] (the "Application and Certificate") and the attached Continuation Sheets[(AIA Document G703)] ("Continuation Sheets") for the payment of Construction Costs for the account of the Borrower. Attached hereto is evidence of prior payment by the Borrower or the Authority to the appropriate contractor or supplier under the Series 2024-C Project Acquisition Contracts.] [To be included only if requisition includes any reimbursement to the Borrower or the Authority]

3. The Borrower does hereby certify to the Trustee that, as of the date hereof, (1) the representations and warranties of the Borrower in the Lease Agreement are hereby ratified and confirmed and (2) the items described in the attached Application and Certificate for Payment and Continuation Sheets are Construction Costs, (3) [the payment of the amounts set forth in the Application and Certificate and Continuation Sheets from the Parking Facilities Account of the Series 2024-C Construction Fund, together with the payment of all prior requisitions from such Account, will not result in more than 5% of the proceeds of the Series 2024-C Bonds used directly or indirectly in any trade or business carried on by any person who is not a "501(c)(3) organization" or a "governmental unit," within the meaning of §145 of the Internal Revenue Federal Tax Code of 1986, as amended, or in any unrelated trade or business of a 501(c)(3) organization], and (4) no Event of Default has occurred and is continuing under the Lease Agreement.

By **CHF - HORIZONS II, L.L.C.**

By: Collegiate Housing Foundation
As sole member
As Authorized Borrower Representative

By_____

Its_____

Approved By:

SAMFORD UNIVERSITY

By _____

Authorized University Representative

SCHEDULE 3.04(b)(3)

Requisition and Payment Request for Parking Facilities Project Account

Non-Construction Costs

_____, as Developer, hereby approves the foregoing requisition and in doing so, makes
the certifications specified in Section 6.02(d)(1)(ii) of the Lease Agreement and Section _____ of the Development
Agreement on this ____ day of _____, 20____.

Its: Authorized Developer Representative

THE EDUCATIONAL BUILDING AUTHORITY OF THE CITY OF HOMewood
Requisition and Payment Request for Parking Facilities Project Account
Non-Construction Costs

To: Regions Bank, as Trustee

Re: Parking Facilities Project Account of the Series 2024-C Construction Fund under Trust Indenture dated [Month] 1, 2024 by The Educational Building Authority of the City of Homewood and Regions Bank, as trustee

Date: _____, 202____

Req. No. _____

1. Capitalized terms used herein without definition shall have the respective meanings assigned thereto in the above Indenture.

2. The undersigned authorize and direct the Trustee to pay from the Parking Facilities Project Account of the Series 2024-C Construction Fund the amount(s) to the Persons set forth in the attached instructions for the payment of Non-Construction costs for the account of the Borrower.

3. The Borrower does hereby certify to the Trustee that, as of the date hereof, (1) the representations and warranties of the Borrower in the Lease Agreement are hereby ratified and confirmed and (2) the items described in the attached instructions are Non-Construction Costs, (3) the payment of the amounts set forth in the attached instructions from the Parking Facilities Account of the Series 2024-C Construction Fund, together with the payment of all prior requisitions from such Account, will not result in more than 5% of the proceeds of the Series 2024-C Bonds used directly or indirectly in any trade or business carried on by any person who is not a "501(c)(3) organization" or a "governmental unit," within the meaning of §145 of the Internal Revenue Federal Tax Code of 1986, as amended, or in any unrelated trade or business of a 501(c)(3) organization], and (4) no Event of Default has occurred and is continuing under the Lease Agreement.

By CHF - HORIZONS II, L.L.C.

By: Collegiate Housing Foundation
As sole member
As Authorized Borrower Representative

By_____

Its_____

Approved By:

SAMFORD UNIVERSITY

By_____

Authorized University Representative

_____, as Developer, hereby approves the foregoing requisition and in doing so, makes the certifications specified in Section 6.02(c)(1) of the Lease Agreement and Section _____ of the Development Agreement on this ___ day of _____, 20____.

By_____

Its: Authorized Developer Representative

SERIES 2024-D SUPPLEMENTAL TRUST INDENTURE

SERIES 2024-D SUPPLEMENTAL TRUST INDENTURE

[Month] 1, 2024

THE EDUCATIONAL BUILDING AUTHORITY OF THE CITY OF HOMEOOD

and

REGIONS BANK
as Trustee

Regarding

Revenue Bonds

(CHF - Horizons II, L.L.C. Student Housing/Parking Project at Samford University)
Federally Taxable Series 2024-D

Notice of Supplement of Original Indenture

This Series 2024-D Supplemental Trust Indenture is delivered in supplement of that certain Trust
Indenture dated [Month] 1, 2024 by the Authority and the Trustee and recorded in _____
in the Office of the Judge of Probate of Jefferson County, Alabama.

This Series 2024-D Supplemental Trust Indenture was prepared by Heyward C. Hosch, Barry A.
Staples and Ann W. Todd of Maynard Nexsen P.C.

[Month] 1, 2024

This Series 2024-D Supplemental Trust Indenture is made and entered as of the above date by the undersigned:

Authority: The Educational Building Authority of the City of Homewood
Trustee: Regions Bank, as trustee

Recitals

The Authority has authorized and delivered this Series 2024-D Supplemental Trust Indenture to the Trustee pursuant to the Act and in supplement of the within Indenture by the Authority and the Trustee to provide for the issuance of the within Revenue Bonds (CHF - Horizons II, L.L.C. Student Housing/Parking Project at Samford University), Federally Taxable Series 2024-D, under the Indenture for the purposes described herein.

Agreement

Now therefore, in consideration of the respective agreements and covenants of the Authority, the Trustee, and the registered owners of the Series 2024-D Bonds, by acquisition thereof, hereby covenant and agree, each with the others, as follows:

ARTICLE 1

Definitions

Section 1.01 Incorporation from Indenture of Defined Terms

The Authority and the Trustee incorporate and use herein certain capitalized terms as such terms are defined in the within Original Indenture.

Section 1.02 Definition of Certain Terms

For purposes hereof:

Architect Agreement means collectively:

- (i) for the Student Housing Facilities Project, the "Agreement Between Owner and Architect" dated _____, 2024, as at any time amended, restated or supplemented, by the University and Perkins & Will; and
- (ii) for the Parking Facilities Project, the "Agreement Between Owner and Architect" dated _____, 2024, as at any time amended, restated, or supplemented, by the University and Davis Architects, Inc.

Architect Consent and Agreement to Perform means the Consent and Agreement (Architect) with respect to the Series 2024-D Project, effective as of the Closing Date, as at any time amended, restated or supplemented, by the University in favor of the Trustee.

Authorized Denominations means, for the Series 2024-D Bonds, the amount of \$5,000 and any integral multiple thereof for each maturity.

Bond Purchase Agreement means the Bond Purchase Agreement dated the date of delivery thereof, with respect to the Series 2024-D Bonds, by the Authority and the Underwriter .

Borrower Security Agreement means the Borrower Security Agreement dated [Month] 1, 2024, with respect to the Series 2024-D Project, as at any time amended, restated or supplemented, by the Borrower in favor of the Trustee.

Continuing Disclosure Agreement means the Continuing Disclosure Agreement dated the Date of Initial Delivery by the Authority in compliance with 17 CFR Section 240.15c2-12 for the benefit of the Series 2024-D Bonds

Contractor means The Robins & Morton Group.

Construction Contracts means collectively:

- (i) for the Student Housing Facilities Project, the Agreement Between Owner and Construction Manager dated January 15, 2024, as at any time amended, restated, or supplemented, by the University and the Contractor; and

- (ii) for the Parking Facilities Project, the Agreement Between Owner and Construction Manager dated January 15, 2024, as at any time amended, restated or supplemented, by the University and the Contractor.

Contractor Consent and Agreement to Perform means the Consent and Agreement (Contractor) with respect to the Series 2024-D Project, effective as of the Closing Date, as at any time amended, restated or supplemented, by the University in favor of the Trustee.

Date of Initial Delivery means _____, 2024.

Developer Consent and Agreement to Perform means the Consent and Agreement (Developer) with respect to the Series 2024-D Project, effective as of the Closing Date, as at any time amended, restated or supplemented, by the University in favor of Trustee.

Development Agreement means collectively:

- (i) for the Student Housing Facilities Project, the Development Manager Service Agreement dated _____, 2024, as at any time amended, restated or supplemented, by the University and the Developer; and
- (ii) for the Parking Facilities Project, the Development Manager Service Agreement dated _____, 2024, as at any time amended, restated or supplemented, by the University and the Developer; and

Developer Indemnity Letter means the indemnity letter dated the date of delivery from the Developer to the Authority, the Borrower, and the Underwriter with respect to the Series 2024-D Project.

Indenture means the Original Indenture, as amended, restated, and supplemented pursuant to the provisions thereof, by the Authority and the Trustee.

Original Indenture means the Trust Indenture dated [Month] 1, 2024, by the Authority and the Trustee.

Parking Facilities Project means capital improvements consisting of the expansion and improvement of the North Parking Deck of the University and related facilities.

Series 2024-D Bond Proceeds means the amount of \$_____, being the principal amount of \$_____ original issue _____ of \$_____ and less underwriting discount of \$_____.

Series 2024-D Bonds means the Revenue Bonds (CHF - Horizons II, L.L.C. Student Housing/Parking Project at Samford University), Federally Taxable Series 2024-D, of the Authority.

Series 2024-D Construction Fund means the Fund created by the Authority pursuant to Section 3.04.

Series 2024-D Project means collectively the Student Housing Facilities Project and the Parking Facilities Project.

Series 2024-D Project Acquisition Contracts means collectively for the Series 2024-D Project: (i) the Construction Contracts, (ii) the Architect Agreement, (iii) the Development Agreement and (iv) the other contracts, if any, relating to the acquisition, construction and installation of the Series 2024-D Project.

Student Housing Facilities Project means capital improvements consisting of dormitories and residence facilities for resident students of the University and related facilities.

Underwriter means collectively RBC Capital Markets, LLC and Stifel, Nicolaus & Company, Incorporated.

University means Samford University and the successors and assigns thereof.

University Collateral Assignment means the University Collateral Assignment Agreement dated [Month] 1, 2024, with respect to the Series 2024-D Project, as at any time amended, restated or supplemented, by the University in favor of the Borrower.

ARTICLE 2

The Series 2024-D Bonds

Section 2.01 Compliance with Original Indenture

The Authority represents:

- (1) the Series 2024-D Bond Proceeds shall be applied as provided herein for the payment of Costs of the Project for the Series 2024-D Project;
- (2) no Event of Default exists under the Indenture;
- (3) all required deposits into the Indenture Funds will be made simultaneously with the issuance of the Series 2024-D Bonds;
- (4) the Series 2024-D Project constitutes "ancillary improvements" within the meaning of the Authorizing Act.

Section 2.02 Authorization of Series 2024-D Bonds

(a) Authorization

The Authority authorizes to be issued under and secured by the Indenture a series of Bonds in maximum aggregate principal amount of \$XXX and designated "Revenue Bonds (CHF - Horizons II, L.L.C. Student Housing/Parking Project at Samford University), Federally Taxable Series 2024-D" for the acquisition of the Series 2024-D Project and the purposes of the Campus Development Account of the Series 2024-D Construction Fund.

(b) Authorized Denominations and Form of Series 2024-D Bonds

The Series 2024-D Bonds shall be issued and delivered in certificated form as set forth on Exhibit A (with such changes thereto as required by Applicable Law on the Date of Initial Delivery) as a single bond for each stated maturity thereof in integral multiples of an Authorized Denomination and numbered consecutively in the order of issuance.

(c) Initial Issuance Pursuant to Book-Entry System

The Series 2024-D Bonds will be initially held pursuant to a Book-Entry System administered by the Securities Depository. On the Date of Initial Delivery, the certificated Bond for each stated maturity thereof will be registered in the name of the Securities Depository Nominee and delivered to, and held in the custody of, the Securities Depository or the Trustee in accordance with the applicable rules of the Securities Depository.

(d) Date

The Series 2024-D Bonds shall be dated the date of delivery and payment therefor.

(e) Principal Payments and Interest Rates

The principal of the Series 2024-D Bonds will mature on the Stated Principal Payment Date in each of the following years and principal amounts, subject to prior extraordinary, mandatory and optional redemption, and will accrue interest at the following per annum rates of interest:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
-------------	-------------------------	----------------------

(f) Optional Redemption

The Series 2024-D Bonds having stated maturities in 20 [33] and thereafter are subject to prior redemption on _____ 1, 20____, or on any Business Day thereafter, in whole, or in part in Authorized Denominations, at the option of the Authority on the written direction of the Borrower (the Authority being deemed, without action on its part, to have exercised such option upon delivery of such request by the Borrower) at such times, and in such order and amounts of maturities (by random selection within a maturity) as the Borrower shall direct in writing, at a redemption price equal to 100% of the principal amount to be redeemed, plus accrued interest to the date fixed for redemption, without premium or penalty.

(g) Mandatory Redemption

The Series 2024-D Bonds are subject to scheduled mandatory redemption as follows:

- (1) The Authority authorizes and directs the Trustee to effect the mandatory redemption of those of the Series 2024-D Bonds having a stated maturity on the Stated Principal Payment Date in 20____ (the "20YY Term Bonds") without consent of or direction by the Authority or the Borrower, by lot, on the Stated Principal Payment Date in each of the years and in the aggregate principal amounts set forth below (subject to a credit for the principal amount of the 20YY Term Bonds then cancelled or redeemed and not previously claimed as a credit, and without regard to any prior extraordinary mandatory redemption or optional redemption of the 20YY Term Bonds and without reduction of the principal amount subject to mandatory redemption in any year by reason of such prior extraordinary mandatory redemption or optional redemption) at a redemption price for each 20YY Term Bond to be redeemed equal to the principal amount thereof, plus accrued interest thereon to the redemption date, without premium or penalty:

<u>Year</u>	<u>Principal Amount to Be Mandatorily Redeemed</u>
-------------	--

(2) The Authority authorizes and directs the Trustee to effect the mandatory redemption of those of the Series 2024-D Bonds having a stated maturity on the Stated Principal Payment Date in 20____ (the "20YY Term Bonds") without consent of or direction by the Authority or the Borrower, by lot, on the Stated Principal Payment Date in each of the years and in the aggregate principal amounts set forth below (subject to a credit for the principal amount of the 20YY Term Bonds then cancelled or redeemed and not previously claimed as a credit, and without regard to any prior extraordinary mandatory redemption or optional redemption of the 20YY Term Bonds and without reduction of the principal amount subject to mandatory redemption in any year by reason of such prior extraordinary mandatory redemption or optional redemption) at a redemption price for each 20YY Term Bond to be redeemed equal to the principal amount thereof, plus accrued interest thereon to the redemption date, without premium or penalty:

<u>Year</u>	Principal Amount to Be <u>Mandatorily Redeemed</u>
-------------	---

(h) Extraordinary Redemption

The Series 2024-D Bonds are subject to extraordinary redemption on any Business Day in whole, or in part in Authorized Denominations, at the option of the Authority on the written direction of the Borrower (the Authority being deemed, without action on its part, to have exercised such option upon delivery of such request by the Borrower) at such times, and in such order and amounts of maturities (by random selection within a maturity) as the Borrower shall direct in writing, at a redemption price equal to 100% of the principal amount to be redeemed, plus accrued interest to the date fixed for redemption, plus the unamortized amount of any original issue premium on the Series 2024-D Bonds called for redemption, and otherwise without premium or penalty, from amounts deposited in the Redemption Fund pursuant to this Indenture from any one or more of the following sources, in an amount equal to such deposit (rounded down to the next highest Authorized Denomination):

- (1) any amount received by the Trustee as Net Proceeds of title insurance pursuant to Section 4.05 of the Lease Agreement; or
- (2) any amount received by the Trustee as Net Proceeds of a disposition of any Equipment pursuant to Section 8.02 of the Lease Agreement; or
- (3) any amount received by the Trustee as monetary consideration in connection with the release of, or the subordination of the Leasehold Mortgage to, any portion of the Project pursuant to written request of the Authority, the Borrower and the University in order that utility services or public services may be provided to the Project; or
- (4) any amounts on deposit in an account of a construction fund which are transferred to the Trustee for deposit in the Redemption Fund with a written certificate of an Authorized Borrower Representative to the effect that no further disbursements will be requested from such Account; or
- (5) any amounts transferred to the Redemption Fund by the Trustee pursuant to the following sections of the Original Indenture:
 - (i) Section 6.02 (c), (d), and (e); and
 - (ii) Section 6.04(c); and
 - (ii) Section 6.05(d).

Section 3.02 Delivery of Series 2024-D Bonds

The Authority authorizes and directs the Trustee to authenticate and deliver the Series 2024-D Bonds upon receipt by the Trustee of all of the following:

- (1) the executed Series 2024-D Bonds;
- (2) executed counterparts of the Bond Documents;
- (3) the Series 2024-D Bond Proceeds;
- (4) the Developer Indemnity Letter;
- (5) the certificates, documents, legal opinions, proceedings, required by the Bond Purchase Agreement as certified to the Trustee by the Underwriter.

Section 3.03 Application of Series 2024-D Bond Proceeds

The Authority authorizes and directs the Trustee to deposit the Series 2024-D Bond Proceeds, when and as received on the Date of Initial Delivery, as follows:

- (1) the amount of \$_____ shall be deposited in the Series 2024-D Account of the Debt Service Reserve Fund; and
- (2) the amount of \$_____ shall be deposited in the Issuance Costs Account of the Series 2024-D Construction Fund; and
- (3) the amount of \$_____ shall be deposited in the Capitalized Interest Account of the Series 2024-D Construction Fund; and
- (4) the amount of \$_____ shall be deposited in the Student Housing Project Account of the Series 2024-D Construction Fund; and
- (5) the amount of \$_____ shall be deposited in the Parking Facilities Project Account of the Series 2024-D Construction Fund; and
- (6) the amount of \$_____ shall be deposited in the Campus Development Account of the Series 2024-D Construction Fund.

Section 3.04 Series 2024-D Construction Fund

(a) The Authority creates a Fund designated the "Series 2024-D Construction Fund" to be held and applied by the Trustee as provided in this Section, and which Fund shall consist of the following accounts, hereby created:

- (1) the Issuance Costs Account;
- (2) the Capitalized Interest Account;
- (3) the Student Housing Project Account;
- (4) the Parking Facilities Project Account;
- (5) the Campus Development Account.

(b) The Authority authorizes and directs the Trustee to apply the funds in the Accounts of the Series 2024-D Construction Fund in:

- (1) the Issuance Costs Account, without further authorization or direction by the Authority, the Borrower or any other Person, to pay the Costs of the Project which constitute Issuance Costs for the Series 2024-D Bonds upon receipt by the Trustee of a requisition therefor in substantially the form of Schedule 3.04(b)(1) hereto, appropriately completed and properly executed; and
- (2) the Capitalized Interest Account, without further authorization or direction by the Authority, the Borrower, or any other Person, to pay interest on the Series 2024-D Bonds on each Stated Interest Payment Date during the period beginning on the Date of Initial Delivery and ending on February 1, 2026; and
- (3) the Student Housing Facilities Project Account for the payment of Costs of the Project with respect to the Student Housing Facilities Project, upon receipt by the Trustee of a requisition therefor in substantially the form of Schedule 3.04(b)(3) hereto, appropriately completed and properly executed; and
- (4) the Parking Facilities Project Account for the payment of Costs of the Project with respect to the Parking Facilities Project, upon receipt by the Trustee of a requisition therefor in substantially the form of Schedule 3.04(b)(4) hereto, appropriately completed and properly executed.
- (5) the Campus Development Account for the payment of Costs of the Project upon receipt by the Trustee of a requisition therefor in substantially the form of Schedule 3.04(b)(5) hereto, appropriately completed and properly executed.

(c) The Authority authorizes and directs the Trustee to apply the funds in the Accounts of the Series 2024-D Construction Fund for the following purposes upon receipt of (i) a Certificate of an Authorized Borrower Representative to the effect that all Costs of the Project for the Series 2024-D Project shall have been paid in full and directing the application of such funds for the following purposes and (ii) a Favorable Opinion of Bond Counsel with respect thereto:

- (1) deposit in the Account of the Bond Fund for the Series 2024-D Bonds; and
- (2) payment of Capital Expenditures for the Project or property of the University.

ARTICLE 4

Series 2024-D Account of Debt Service Reserve Fund

Section 4.01 Series 2024-D Account of Debt Service Reserve Fund

The Authority authorizes and directs the Trustee to establish an Account in the Debt Service Reserve Fund designated the "Series 2024-D Account", to be held and applied as provided in the Indenture therefor, for the exclusive benefit of the Series 2024-D Bonds.

Section 4.02 Debt Service Reserve Requirement for the Series 2024-D Account

The Authority provides the Debt Service Reserve Requirement for the Series 2024-D Account shall be \$_____.

Section 4.03 Application of Series 2024-D Account

The Authority authorizes and directs the Trustee to apply the funds on deposit in, or credited to, the Series 2024-D Account as follows:

- (1) transfer to the Redemption Fund as provided in Section 6.02 (d) and (e) of the Indenture; and
- (2) transfer to the Account of the Bond Fund for the Series 2024-D Bonds as provided, and in the order of transfers, in Section 6.04(d); and
- (3) transfer to the Rebate Fund as provided, and in the order of transfers, in Section 12.02(h); and
- (4) transfer, on the date on which the Trustee determines that none of the Series 2024-D Bonds are Outstanding, such amounts, if any, as shall be directed in writing by an Authorized Borrower Representative, to the Series 2024-C Account of the Debt Service Reserve Fund; provided, however, the Authority and the Borrower are not, anything in the Bond Documents to the contrary notwithstanding, required to maintain any amount in the Series 2024-D Account for the purposes of payment of Debt Service on any of the Series 2024-C Bonds of the Authority or for use for the purposes of the Series 2024-C Account of the Debt Service Reserve Fund.

ARTICLE 5

Covenants of Authority

Section 5.01 Compliance with the Continuing Disclosure Agreement

The Authority covenants and agrees to observe and perform the agreements of the Authority set forth in the Continuing Disclosure Agreement in due time, form and manner as required thereby; provided, the Owners will have only the rights and remedies set forth in the Continuing Disclosure Agreement for the enforcement of the agreements of the Authority thereunder and the failure of the Authority to observe or perform any such agreement of the Authority will not constitute an Event of Default under the Indenture.

Section 5.02 Compliance with the Federal Tax Code

The Authority covenants and agrees, for the benefit of the Series 2024-D Bonds, that the Authority will:

- (1) duly and punctually observe, perform and comply with all agreements and covenants thereof under the Tax Certificate and Agreement delivered by the Authority, the Borrower and the University simultaneously with the delivery of the Series 2024-D Bonds; and

- (2) not take any action, or omit to take any action, with respect to the Series 2024-D Bonds that would cause the interest on the Series 2024-D Bonds to be or become Taxable.

ARTICLE 6

Provisions of General Application

Section 6.01 Governing Law

The Indenture, as supplemented and amended hereby, shall be construed in accordance with and governed by the laws of the State of Alabama, without regard to conflict of law principles.

Section 6.02 Enforceability

If any provision herein shall be held invalid, illegal or unenforceable by any court of competent jurisdiction, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby.

ARTICLE 7

Confirmation of Indenture

The Authority, the Trustee, and, by acceptance of the Series 2024-D Bonds, the Owners thereof, agree:

- (1) this Series 2024-D Supplemental Trust Indenture is delivered in supplement to the Original Indenture, as part thereof, and shall be construed in accordance with, and governed by, the terms of the Original Indenture; and

- (2) the Original Indenture, as hereby supplemented and amended, is hereby ratified, confirmed, and approved in all respects.

IN WITNESS WHEREOF, the Authority has caused this Supplemental Indenture to be executed in its name and behalf, under its corporate seal hereunto affixed, and the same to be attested, by officers thereof duly authorized thereunto, and the Trustee has caused this Supplemental Indenture to be executed in its name and on its behalf, under its corporate seal hereunto affixed, and the same to be attested, by officers thereof duly authorized thereunto.

EXHIBIT A

TO

Series 2024-D SUPPLEMENTAL TRUST INDENTURE

The form of the Series 2024-D Bonds begins on the following page.

**THE EDUCATIONAL BUILDING AUTHORITY OF THE
CITY OF HOMEWOOD**

By _____
Chairman

S E A L

Attest: _____

Secretary

REGIONS BANK
as Trustee

By _____
Its _____

[S E A L]

Attest: _____

Its: _____

This Bond has not been registered under the Securities Act of 1933, as amended, or under any state securities law, in reliance upon applicable exemptions, and this Bond, or any interest herein, may only be transferred in compliance with federal and state securities laws and in compliance with the within referenced Indenture.

UNITED STATES OF AMERICA
STATE OF ALABAMA

THE EDUCATIONAL BUILDING AUTHORITY OF THE CITY OF HOMEOOD

REVENUE BOND
(CHF - Horizons II, L.L.C. Student Housing/Parking Project at Samford University)
Federally Taxable Series 2024-D

Registered Owner:				Bond No.	
CEDE & CO.				R-	
Dated Date:	Principal Amount:	Interest Rate per annum:	Stated Interest Payment Dates:	Maturity Date:	CUSIP:
2024	\$ _____	_____ %	April 1 and October 1	October 1, 20____	—

Authorization of Indebtedness and Payment

For Value Received, The Educational Building Authority of the City of Homewood, a public corporation under the laws of the State of Alabama (the "Authority"), has issued this Bond pursuant to that certain Trust Indenture dated [Month] 1, 2024 (as at any time amended or supplemented, the "Indenture") by the Authority and Regions Bank, as trustee (the "Trustee") in evidence of indebtedness thereof to the Registered Owner, or registered assigns, in the Principal Amount and hereby promises to pay to the Registered Owner, through the Trustee, as Paying Agent, and Bond Registrar for the Series 2024-D Bonds, and solely from the Trust Estate as provided in the Indenture, (i) the Principal Amount on the Maturity Date, subject to prior redemption (in whole or in part) thereof as provided in the Indenture, and (ii) interest accrued on the outstanding amount of such Principal Amount at the Interest Rate, computed from the Dated Date, on the Stated Interest Payment Dates and on each date fixed for redemption (in whole or in part) of this Bond, as provided in the Indenture.

Definition of Terms

Capitalized terms used in this Bond without definition shall have the respective meanings assigned thereto in the Indenture.

The Indenture

The Indenture is held by the Trustee at the Principal Office thereof referenced in the Indenture and constitutes a contractual agreement binding upon the Authority, the Trustee and the registered owners of the Series 2024-D Bonds under the laws of the State of Alabama for (i) the source of payment of, and security for, the Series 2024-D Bonds; (ii) the registration, transfer, exchange and replacement of the Series 2024-D Bonds; (iii) the redemption, in advance of maturity, of the Series 2024-D Bonds; (iv) the payment of the Series 2024-D Bonds and the defeasance of the Indenture; (v) the amendment and supplement of the Indenture (without consent, or with the consent of the registered owners of a specified percentage, or all, of the principal amount of the Series 2024-D Bonds); (vi) the rights and duties of the Authority and the Trustee; and (vii) the enforcement of the Indenture by the registered owners of a specified percentage, or all, of the principal amount of the Series 2024-D Bonds.

Agreement of Registered Owners of Series 2024-D Bonds

The Indenture provides the registered owner of each of the Series 2024-D Bonds, by acquisition thereof, shall have thereby consented to, and agreed to be bound by, the provisions of the Indenture.

Certification

The Authority recites, certifies and declares that all conditions, actions and things required by the Constitution of Alabama of 2022 and laws of the State of Alabama, to exist, be performed and happen precedent to or in the issuance of this Bond do exist, have been performed and have happened in due time, form and manner as required by law.

IN WITNESS WHEREOF, The Educational Building Authority of the City of Homewood has caused this Bond to be executed in its name and on its behalf, under seal, and the same attested, by officers thereof duly authorized thereunto, on the Dated Date set forth above.

Date of Authentication and Registration: _____, 2024

**THE EDUCATIONAL BUILDING AUTHORITY OF THE
CITY OF HOMEWOOD**

Chair

S E A L

Attest:

By: _____
Secretary

Regions Bank
as Trustee

Authorized Officer

This is one of the Series 2024-D Bonds referenced in the within-mentioned Trust Indenture and has been registered by The Educational Building Authority of the City of Homewood on the registration books maintained with the Trustee in the name of the above-named registered owner on the Authentication and Registration Date specified above.

Certificate of Authentication and Registration

Assignment

For value received, _____ hereby sell(s), assign(s) and transfer(s) unto _____ this Bond and hereby irrevocably constitute(s) and appoint(s) _____ attorney to transfer this Bond on the books of the within-named Authority at the office of the within-named Trustee, with full power of substitution in the premises.

DATED this ____ day of _____, _____.

SCHEDULE 3.04(b)(1)

Requisition and Payment Request for Issuance Costs Account

NOTE: The name signed to this assignment must correspond with the name of the payee written on the face of the within bond in every particular, without alteration, enlargement or change whatsoever.

Signature Guaranteed*:

(Bank or Trust Company)

(Authorized Officer)

Medallion Number: _____

* Signature(s) must be guaranteed by an eligible guarantor institution which is a member of the recognized signature guarantee program, i.e., Securities Transfer Agents Medallion Program (STAMP), Stock Exchanges Medallion Program (SEMP), or New York Stock Exchange Medallion Signature Program (MSP).

Notice By Securities Depository

Unless the within Bond is presented by an authorized representative of the Securities Depository (as defined in the Indenture referenced in the within Bond), to the Board or its agent for registration of transfer, exchange, or payment, and any Series 2024-D Bond issued is registered in the name of the Securities Depository or the Securities Depository Nominee (as defined in the Indenture referenced in the within Bond), as the case may be, or in such other name as is requested by an authorized representative of the Securities Depository (and any payment is made to the Securities Depository or the Securities Depository Nominee or to such other entity as is requested by an authorized representative of the Securities Depository), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, the Securities Depository or Securities Depository Nominee, as the case may be, has an interest herein.

THE EDUCATIONAL BUILDING AUTHORITY OF THE CITY OF HOMEWOOD

SCHEDULE 3.04(b)(3)

Requisition and Payment Request for Issuance Costs Account

Requisition and Payment Request for Student Housing Facilities Project Account

To: Regions Bank, as Trustee

Re: Issuance Costs Account of the Series 2024-D Construction Fund under Trust Indenture dated [Month] 1, 2024 by The Educational Building Authority of the City of Homewood and Regions Bank, as trustee

Date: _____, 2024

Construction Costs

1. Capitalized terms used herein without definition shall have the respective meanings assigned thereto the above Indenture.

2. The undersigned authorize and direct the Trustee to pay from the Issuance Costs Account of the Series 2024-D Construction Fund the amounts to the Persons set forth in the attached instructions not later than _____, 2024.

3. The Borrower does hereby certify to the Trustee that, as of the date hereof, (i) the representations and warranties of the Borrower in the Lease Agreement are hereby ratified and confirmed, (ii) the amounts described in the attached instructions constitute Issuance Costs, and (iii) no Event of Default has occurred and is continuing under the Lease Agreement.

By **CHF - HORIZONS II, L.L.C.**

By: Collegiate Housing Foundation
As sole member
As Authorized Borrower Representative

By _____

Its _____

**THE EDUCATIONAL BUILDING AUTHORITY OF THE CITY OF HOMEWOOD
Requisition and Payment Request for Student Housing Facilities Project Account
Construction Costs**

To: Regions Bank, as Trustee

Re: Student Housing Facilities Project Account of the Series 2024-D Construction Fund under Trust Indenture dated [Month] 1, 2024 by The Educational Building Authority of the City of Homewood and Regions Bank, as trustee

Date: _____, 202____

Req. No. _____

1. Capitalized terms used herein without definition shall have the respective meanings assigned thereto in the above Indenture.

2. The undersigned authorize and direct the Trustee to pay from the Student Housing Facilities Project Account of the Series 2024-D Construction Fund the amount(s) to the Persons set forth in the attached Application and Certificate for Payment[(AIA Form G702)] (the "Application and Certificate") and the attached Continuation Sheets[(AIA Document G703)] ("Continuation Sheets") for the payment of Construction Costs for the account of the Borrower. Attached hereto is evidence of prior payment by the Borrower or the Authority to the appropriate contractor or supplier under the Series 2024-D Project Acquisition Contracts.] [To be included only if requisition includes any reimbursement to the Borrower or the Authority]

3. The Borrower does hereby certify to the Trustee that, as of the date hereof, (1) the representations and warranties of the Borrower in the Lease Agreement are hereby ratified and confirmed and (2) the items described in the attached Application and Certificate for Payment and Continuation Sheets are Construction Costs, any and (3) no Event of Default has occurred and is continuing under the Lease Agreement.

By CHF - HORIZONS II, L.L.C.

By: Collegiate Housing Foundation
As sole member
As Authorized Borrower Representative

By_____

Its_____

Approved By:

SAMFORD UNIVERSITY

By_____

Authorized University Representative

_____, as Developer, hereby approves the foregoing requisition and in doing so, makes the certifications specified in Section 6.02(d)(1)(ii) of the Lease Agreement and Section _____ of the Development Agreement on this ____ day of _____, 20____.

By_____

Its: Authorized Developer Representative

SCHEDULE 3.04(b)(3)

Requisition and Payment Request for Student Housing Facilities Project Account

Non-Construction Costs

**THE EDUCATIONAL BUILDING AUTHORITY OF THE CITY OF HOMWOOD
Requisition and Payment Request for Student Housing Facilities Project Account
Non-Construction Costs**

To: Regions Bank, as Trustee

Re: Student Housing Facilities Project Account of the Series 2024-D Construction Fund under Trust Indenture dated [Month] 1, 2024 by The Educational Building Authority of the City of Homewood and Regions Bank, as trustee

Date: _____, 202____

Req. No. _____

1. Capitalized terms used herein without definition shall have the respective meanings assigned thereto in the above Indenture.

2. The undersigned authorize and direct the Trustee to pay from the Student Housing Facilities Project Account of the Series 2024-D Construction Fund the amount(s) to the Persons set forth in the attached instructions for the payment of Non-Construction costs for the account of the Borrower.

3. The Borrower does hereby certify to the Trustee that, as of the date hereof, (1) the representations and warranties of the Borrower in the Lease Agreement are hereby ratified and confirmed and (2) the items described in the attached instructions are Non-Construction Costs, and (3) no Event of Default has occurred and is continuing under the Lease Agreement.

By **CHF - HORIZONS II, L.L.C.**

By: Collegiate Housing Foundation
As sole member
As Authorized Borrower Representative

By_____

Its_____

Approved By:

SAMFORD UNIVERSITY

By _____

Authorized University Representative

SCHEDULE 3.04(b)(4)

Requisition and Payment Request for Parking Facilities Project Account

Construction Costs

_____, as Developer, hereby approves the foregoing requisition and in doing so, makes
the certifications specified in Section 6.02(c)(1) of the Lease Agreement and Section _____ of the Development
Agreement on this ____ day of _____, 20____.

By _____

Its: Authorized Developer Representative

THE EDUCATIONAL BUILDING AUTHORITY OF THE CITY OF HOMEWOOD
Requisition and Payment Request for Parking Facilities Project Account
Construction Costs

To: Regions Bank, as Trustee

Re: Parking Facilities Project Account of the Series 2024-D Construction Fund under Trust Indenture dated [Month] 1, 2024 by The Educational Building Authority of the City of Homewood and Regions Bank, as trustee

Date: _____, 202____

Req. No. _____

1. Capitalized terms used herein without definition shall have the respective meanings assigned thereto in the above Indenture.

2. The undersigned authorize and direct the Trustee to pay from the Parking Facilities Project Account of the Series 2024-D Construction Fund the amount(s) to the Persons set forth in the attached Application and Certificate for Payment[(AIA Form G702)] (the "Application and Certificate") and the attached Continuation Sheets[(AIA Document G703)] ("Continuation Sheets") for the payment of Construction Costs for the account of the Borrower. Attached hereto is evidence of prior payment by the Borrower or the Authority to the appropriate contractor or supplier under the Series 2024-D Project Acquisition Contracts.] [To be included only if requisition includes any reimbursement to the Borrower or the Authority]

3. The Borrower does hereby certify to the Trustee that, as of the date hereof, (1) the representations and warranties of the Borrower in the Lease Agreement are hereby ratified and confirmed and (2) the items described in the attached Application and Certificate for Payment and Continuation Sheets are Construction Costs, and (3) no Event of Default has occurred and is continuing under the Lease Agreement.

By CHF - HORIZONS II, L.L.C.

By: Collegiate Housing Foundation
As sole member
As Authorized Borrower Representative

By_____

Its_____

Approved By:

SAMFORD UNIVERSITY

By_____

Authorized University Representative

_____, as Developer, hereby approves the foregoing requisition and in doing so, makes the certifications specified in Section 6.02(d)(1)(ii) of the Lease Agreement and Section _____ of the Development Agreement on this ____ day of _____, 20____.

By_____

Its: Authorized Developer Representative

SCHEDULE 3.04(b)(4)

Requisition and Payment Request for Parking Facilities Project Account

Non-Construction Costs

**THE EDUCATIONAL BUILDING AUTHORITY OF THE CITY OF HOMEWOOD
Requisition and Payment Request for Parking Facilities Project Account
Non-Construction Costs**

To: Regions Bank, as Trustee

Re: Parking Facilities Project Account of the Series 2024-D Construction Fund under Trust Indenture dated [Month] 1, 2024 by The Educational Building Authority of the City of Homewood and Regions Bank, as trustee

Date: _____, 202____

Req. No. _____

1. Capitalized terms used herein without definition shall have the respective meanings assigned thereto in the above Indenture.

2. The undersigned authorize and direct the Trustee to pay from the Parking Facilities Project Account of the Series 2024-D Construction Fund the amount(s) to the Persons set forth in the attached instructions for the payment of Non-Construction costs for the account of the Borrower.

3. The Borrower does hereby certify to the Trustee that, as of the date hereof, (1) the representations and warranties of the Borrower in the Lease Agreement are hereby ratified and confirmed and (2) the items described in the attached instructions are Non-Construction Costs, and (3) no Event of Default has occurred and is continuing under the Lease Agreement.

By **CHF - HORIZONS II, L.L.C.**

By: Collegiate Housing Foundation
As sole member
As Authorized Borrower Representative

By_____

Its_____

Approved By:

SCHEDULE 3.04(b)(5)

SAMFORD UNIVERSITY

By _____

Authorized University Representative

Requisition and Payment Request for Campus Development Account

_____, as Developer, hereby approves the foregoing requisition and in doing so, makes
the certifications specified in Section 6.02(c)(1) of the Lease Agreement and Section _____ of the Development
Agreement on this ____ day of _____, 20____.

Its: Authorized Developer Representative

THE EDUCATIONAL BUILDING AUTHORITY OF THE CITY OF HOMewood
Requisition and Payment Request for Campus Development Account

To: Regions Bank, as Trustee

Re: Campus Development Account of the Series 2024-D Construction Fund under Trust Indenture dated [Month] 1, 2024 by The Educational Building Authority of the City of Homewood and Regions Bank, as trustee

Date: _____, 202____

Req. No. _____

1. Capitalized terms used herein without definition shall have the respective meanings assigned thereto in the above Indenture.

2. The undersigned authorize and direct the Trustee to pay from the Campus Development Account of the Series 2024-D Construction Fund the amount(s) to the Persons set forth in the attached instructions for the payment of Costs of the Project for the account of the Borrower.

3. The Borrower does hereby certify to the Trustee that, as of the date hereof, (1) the representations and warranties of the Borrower in the Lease Agreement are hereby ratified and confirmed and (2) the items described in the attached instructions are Costs of the Project and (3) no Event of Default has occurred and is continuing under the Lease Agreement.

By CHF - HORIZONS II, L.L.C.

By: Collegiate Housing Foundation
As sole member
As Authorized Borrower Representative

By_____

Its_____

Approved By:

SAMFORD UNIVERSITY

By_____

Authorized University Representative

_____, as Developer, hereby approves the foregoing requisition and in doing so, makes the certifications specified in Section 6.02(c)(1) of the Lease Agreement and Section _____ of the Development Agreement on this ___ day of _____, 20____.

By_____

Its: Authorized Developer Representative

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX D-2

FORM OF THE LEASE AGREEMENT

[THIS PAGE INTENTIONALLY LEFT BLANK]

**BOND LEASE AGREEMENT (CHF - HORIZONS II, L.L.C. STUDENT HOUSING/PARKING PROJECT
AT SAMFORD UNIVERSITY)**

[Month] 1, 2024

by

THE EDUCATIONAL BUILDING AUTHORITY OF THE CITY OF HOMEWOOD
as Authority

and

CHF - HORIZONS II, L.L.C.
as Borrower

Samford University, for purposes of the Ground Lease Agreement (CHF - Horizons II, L.L.C. Student Housing /Parking Project at Samford University) by Samford University and the Authority, recorded in _____ in the Office of the Judge of Probate of Jefferson County, Alabama, has agreed and consented, by endorsement hereon, to the terms and provisions, and delivery and performance, of this Agreement by the Authority and the Borrower.

The interest of the Authority in and to this Bond Lease Agreement (CHF - Horizons II, L.L.C. Student Housing/Parking Project at Samford University) has been assigned to Regions Bank, as trustee under Trust Indenture dated [Month] 1, 2024 by the Authority and the Trustee.

This Agreement was prepared by Heyward C. Hosch, Barry A. Staples, and Ann W. Todd of Maynard Nexsen PC, 1901 6th Avenue North, Suite 1700, Birmingham, Alabama 35203

**BOND LEASE AGREEMENT (CHF - HORIZONS II, L.L.C. STUDENT HOUSING/PARKING PROJECT
AT SAMFORD UNIVERSITY)**

This Bond Lease Agreement (CHF - Horizons II, L.L.C. Student Housing/Parking Project at Samford University) is made by and between the following undersigned Persons each of which is identified herein as:

Authority: The Educational Building Authority of the City of Homewood

Borrower: CHF - Horizons II, L.L.C.

ARTICLE 1

Consideration and Purpose of Agreement

The Authority and the Borrower have made and delivered this Agreement to provide for the establishment, financing and operation by the Borrower, of the within Project pursuant to the within Governing Law in furtherance of the corporate and governmental purposes of the Authority, for the benefit of the University, and in consideration of, and reliance upon, the due and punctual performance of the respective agreements, obligations and undertakings made in this Agreement by the undersigned.

ARTICLE 2

DEFINITIONS AND RULES OF CONSTRUCTION

Section 2.01 Incorporation of Defined Terms from Indenture

The Authority and the Borrower incorporate and use herein certain capitalized terms as such terms are defined in the within Indenture.

Section 2.02 Definitions

For purposes hereof:

Additional Lease Payments means the Lease Payments payable by the Borrower to the Trustee and the Authority under this Lease Agreement that are described under the subheading "Additional Lease Payments" in Section 7.02(b).

Agreement or Lease Agreement means this Lease Agreement, as at any time amended, restated or supplemented, by the Authority and the Borrower.

Agreement Term means the term of this Lease Agreement as specified in Section 7.01.

Annual Budget means the annual budget of the Borrower required by Section 10.07.

Annual Period means the 12-month period commencing on (and including) July 1 of each calendar year and ending on (and including) June 30 of the immediately succeeding calendar year.

Basic Lease Payments means the Lease Payments payable by the Borrower to the Trustee under this Lease Agreement that are described under the subheading "Basic Lease Payments" in Section 7.02(a).

Bonds means, collectively, on any date of determination, all Bonds issued and Outstanding under the Indenture.

CPI Adjustment has the meaning ascribed thereto in Section 9.01(b).

Collegiate Housing Foundation means Collegiate Housing Foundation, an Alabama nonprofit corporation, and the successors and assigns thereof.

Consistent Basis means, in reference to the application of GAAP that the accounting principles observed in the period referred to are comparable in all material respects to those applied in the preceding period.

Construction Fund means any Indenture Fund established in a Supplemental Indenture for the custody and application of proceeds of any series of Bonds.

Environmental Laws has the meaning ascribed thereto in Section 4.07(d).

Fixed Charges Coverage Ratio means, for any period, the ratio of Revenue Available for Fixed Charges to Fixed Charges.

Hazardous Materials has the meaning ascribed thereto in Section 4.07(d).

Indemnified Persons means, collectively, the Authority, the Authority Indemnified Persons, and the Trustee Indemnified Persons (each, an "Indemnified Person").

Indenture means the Trust Indenture of even date herewith, as amended, restated or supplemented, by the Authority and the Trustee.

Latent Defect Report with respect to the Project, means the written report of any latent and inherent defective items determined to be present in the design and construction of each phase of the Project that may be attributable to any one or more of (i) defective design, (ii) defective workmanship or defective materials or components and (iii) defective installation of anything in the Project, which items are identified through a non-invasive inspection of the Project by the Independent Engineer as provided in Section 6.05(b).

Lease Payments means collectively the Basic Lease Payments and the Additional Lease Payments.

Net Proceeds when used for any insurance or condemnation award, for the sale or other disposition of a portion of the Project, or for any other recovery on a contractual claim or claim for damage to or for taking of property, means the gross proceeds from the insurance or condemnation award, sale, or other disposition, or recovery remaining after payment of (i) all reasonable expenses (including reasonable attorneys' fees and any Extraordinary Expenses of the Trustee) incurred in the collection of such gross proceeds, and (ii) solely with respect to the builder's risk policy procured by contractor under the Construction Agreement and absent an event of default by contractor under the Construction Agreement, payments to the contractor from available builder's risk insurance proceeds for Costs of the Project which have already been paid by contractor under the Construction Agreement and for which contractor has not been reimbursed under a prior draw request made by Borrower.

Periodic Project Assessment means, with respect to the Project the periodic review of the adequacy of the amounts for the Repair and Replacement Fund Requirement (not less than every five years following a Completion Date) by an Independent Engineer retained by or on behalf of the Borrower based on a physical needs reserve analysis with respect to the then-current condition of the Project, the then-current balance in the Repair and Replacement Fund and all amounts expected to be expended over the next succeeding five Annual Periods for major maintenance, repair and replacement ("MRR") at the Project and to be reserved for longer dated MRR at the Project, up to and including the stated final maturity of the Bonds; provided, however, that if the University employs, hires, retains or engages an engineer or firm of engineers duly admitted to practice engineering in the State with expertise in property management, maintenance and reporting to perform an assessment on its buildings, it includes the Project in such assessment, and such assessment contains the foregoing information with respect to the Project such assessment with respect to the Project shall constitute a Periodic Project Assessment and shall be sufficient in lieu of engaging an Independent Engineer.

Phase I Environmental Site Assessment means the environmental site assessment prepared with respect to the real property described on Exhibit A.

Plans and Specifications for the Project, means the detailed plans and specifications for the construction thereof prepared by the architects and engineers acceptable to the University, and the Borrower, as amended from time to time by the Borrower with the consent of the University, a copy of which will be on file with the Trustee and for any other component of the Project, has the meaning set forth in a supplemental indenture relating to a Series of Additional Bonds issued to finance that component of the Project.

Project means collectively all "ancillary improvements" (as defined in the Authorizing Act) financed by the Authority from the proceeds of Bonds issued for the benefit of the Borrower and the University, as more particularly defined or described in the Supplemental Indenture for each series of such Bonds.

Restoration Plans and Specifications have the meaning ascribed thereto in Section 9.03(a)(ii).

Short-term Indebtedness means any Indebtedness maturing not more than 365 days after it is incurred or that is payable on demand, except for any such Indebtedness that is renewable or extendable at the sole option of the debtor to a date more than 365 days after it is incurred, or any such Indebtedness that, although payable within 365 days, constitutes payments required to be made on account of Indebtedness expressed to mature more than 365 days after it was incurred.

Tax-Exempt Organization means a Person organized under the laws of the United States of America or any state thereof (i) that is an organization described in §501(c)(3) of the Federal Tax Code, (ii) that is exempt from federal income taxes under §501(a) of the Federal Tax Code, and (iii) unless a Favorable Opinion of Bond Counsel will be delivered to the Authority and the Trustee, that is not a "private foundation," within the meaning of §509(a) of the Federal Tax Code.

Trustee Indemnified Persons means, collectively, the Trustee and its officers, directors, employees and agents (each, a "Trustee Indemnified Person").

Unassigned Rights means the rights of the Authority under Sections 7.02(b), 10.02, 10.04, 14.01, 14.04, 14.08, 14.09, 14.10, 14.12 and 14.19 of this Lease Agreement, and, to the extent not expressly provided in said Sections (or in any other sections hereof or under the Indenture) the Authority's rights hereunder and under the Indenture to (i) inspect books and records; (ii) give or receive notices, approvals, consents, requests, and other communications; (iii) receive payment or reimbursement for expenses, including without limitation, Authority Additional Payments; (iv) immunity from and limitation of liability; (v) indemnification by the Borrower or any other Person; and (vi) to enforce, in its own name and on its own behalf, those provisions hereof and under the Indenture, and of any other document, instrument, or agreement entered into with respect to the Bonds that provides generally for the foregoing enumerated rights or any similar rights of the Authority or any of the Authority Indemnified Persons; provided, the "Unassigned Rights" referenced in items (iv), (v), and (vi), above, shall include (but not be limited to) the rights of the Authority Indemnified Persons to immunity from and limitation of liability and indemnification by the Borrower as provided herein and the right of any such Authority Indemnified Person to enforce such rights in the name thereof.

Section 2.03 Rules of Construction

For all purposes of this Lease Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following rules of construction apply:

- (1) the terms "agree", "shall", and "will" when used in this Lease Agreement with respect to the observance or performance of any agreement, duty or requirement to take, or forebear from taking, any action by the Authority, the Borrower, the Trustee the Securities Depository, or an Owner, means that such agreement, duty or requirement is imperative and enforceable by available remedies at law or in equity against the Person charged therewith;
- (2) all references in this Lease Agreement to designated "Articles," "Sections" and other subdivisions are to the designated Articles, Sections and subdivisions of this Indenture as originally executed;
- (3) the terms "in this Lease Agreement," "hereof" and "hereunder" and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or other subdivision;
- (4) the Article and Section headings in this Lease Agreement are for convenience only and shall not affect the construction of this Lease Agreement.

ARTICLE 3

REPRESENTATIONS AND UNDERTAKINGS

Section 3.01 The Authority

The Authority delivers this Agreement on the Effective Date pursuant to the authorization thereof by proceedings duly had and taken by the governing body thereof under the authority of the Governing Law having found and determined precedent thereto: (i) no approval of, or filing with, any Governmental Authority is required for the validity, or performance by the Authority, of this Agreement; (ii) no litigation is pending, or threatened in writing, in which a result adverse to the Authority would have a material and adverse effect upon the validity, or performance by the Authority, of this Agreement; (iii) the delivery and performance of this Agreement by the Authority will not cause or result in a default or violation under any contractual agreement, or order or ruling of any Governmental Authority, binding upon, or in effect with respect to, the Authority; and (iv) the establishment and operation of the Project is in furtherance of the corporate and governmental purposes of the Authority .

Section 3.02 The Borrower

The Borrower makes the following representations and warranties as the basis for the undertakings on its part herein contained as of the Closing Date and agrees that the Authority may rely on such representations and warranties notwithstanding the issuance of the Bonds and regardless of any investigations by or on behalf of the Authority or the results thereof.

Organization and Power. The Borrower is a limited liability company duly organized and validly existing under the laws of the State of Alabama is authorized to do business in the State of Alabama, and has all requisite power and authority and all necessary licenses and permits to own and operate its properties and to carry on its business as it is now being conducted and as it is currently proposed to be conducted. The Borrower has full power and authority to enter into and perform its obligations under the Borrower Documents and has all requisite power and authority to operate the Project and to execute and deliver this Lease Agreement and the other Borrower Documents and to carry out the terms thereof.

Tax Status. The Borrower is a disregarded entity for federal tax purposes separate and apart from its sole member, Collegiate Housing Foundation, which (i) is an organization described in Section 501(c)(3) of the Federal Tax Code or corresponding provisions of prior law and is not a "private foundation," as such term is defined under Section 509(a) of the Federal Tax Code, (ii) is exempt from federal income taxes under Section 501(a) of the Federal Tax Code (except for taxation under Section 511 of the Federal Tax Code of unrelated business taxable income as defined in Section 512(a) of the Federal Tax Code), (iii) has received a Determination Letter recognizing it as an organization (A) described in Section 501(c)(3) of the Federal Tax Code that is exempt from federal income taxation under Section 501(a) of the Federal Tax Code (except for taxation under Section 511 of the Federal Tax Code of unrelated business taxable income as defined in Section 512(a) of the Federal Tax Code), and (B) that is not a "private foundation" as defined in Section 509(a) of the Federal Tax Code, which Determination Letter has not been modified, limited, revoked or superseded, (iv) is in compliance with all of the terms, conditions and limitations, if any, contained in its Determination Letter and there has been no change in the facts and circumstances that served as the basis for the Determination Letter relating to its status as an organization described in Section 501(c)(3) of the Federal Tax Code and as an organization that is not a "private foundation" as defined in Section 509(a) of the Federal Tax Code of a nature or to a degree as would warrant any action by the Internal Revenue Service to modify, limit, revoke or supersede its Determination Letter, and (v) is an

organization organized and operated exclusively for charitable and educational purposes and not for pecuniary profit, and no part of the net earnings of Collegiate Housing Foundation inures to the benefit of any Person, private stockholder or individual, within the meaning of Section 3(a)(4) of the Securities Act of 1933, as amended. No administrative or judicial proceedings are pending or, to the Borrower's knowledge, threatened against Collegiate Housing Foundation that may, in any way, adversely affect the status of Collegiate Housing Foundation as an organization (i) described in Section 501(c)(3) of the Federal Tax Code that is exempt from federal income taxation under Section 501(a) of the Federal Tax Code , and (ii) that is not a "private foundation" as defined in Section 509 of the Federal Tax Code.

Pending Litigation and Taxes. To its knowledge, there are no actions, suits, proceedings, inquiries, or investigations pending or threatened against or affecting the Borrower or Collegiate Housing Foundation in any court or by or before any governmental authority or arbitration board or tribunal that involve the likelihood of materially and adversely affecting the properties, business, prospects, profits, operations, or condition (financial or otherwise) of the Borrower or Collegiate Housing Foundation, the ability of the Borrower to perform its obligations under any of the Borrower Documents, or the transactions contemplated by any of the Bond Documents; or that, in any way, would adversely affect the validity or enforceability of the Borrower Documents or any agreement or instrument to which the Borrower or Collegiate Housing Foundation is a party and that is used or contemplated for use in the consummation of the transactions contemplated hereby or thereby, nor is the Borrower aware of any facts or circumstances currently existing that would form the basis for any such action, suit, or proceeding. Neither the Borrower nor Collegiate Housing Foundation is in default with respect to any judgment, order, writ, injunction, decree, demand, rule, or regulation of any court, governmental authority, or arbitration board or tribunal. All tax returns (federal, state, and local) required to be filed by or on behalf of the Borrower have been duly filed, and all taxes, assessments, and other governmental charges shown thereon to be due, including interest and penalties, except such, if any, as are being actively contested by the Borrower in good faith, have been paid or adequate reserves have been made for the payment thereof.

Agreements Are Legal and Authorized. The execution and delivery by the Borrower of the Borrower Documents, the consummation of the transactions herein and therein contemplated, and the fulfillment of or the compliance with all of the provisions hereof and thereof (i) are within the power, legal right, and authority of the Borrower, (ii) are legal and will not conflict with or constitute on the part of the Borrower a violation of or a breach of or a default under, or result in the creation or imposition of any Lien, charge, restriction, or encumbrance (other than Permitted Encumbrances) on any property of the Borrower under the provisions of, any charter instrument; operating agreement; indenture; mortgage; pledge, note, lease, loan, or installment sale agreement; contract; or other agreement or instrument to which the Borrower is a party or by which the Borrower or its properties are otherwise subject or bound, or, to its knowledge, any license, law, statute, rule, regulation, judgment, order, writ, injunction, decree, or demand of any court or governmental agency or body having jurisdiction over the Borrower or any of its activities or properties, and (iii) have been duly authorized by all necessary and appropriate action on the part of the Borrower. The officer or officers of Collegiate Housing Foundation executing the Borrower Documents in Collegiate Housing Foundation's capacity as the sole member of the Borrower are duly and properly in office and are fully authorized and empowered to execute the same for and on behalf of the Borrower.

Agreements Are Enforceable. This Lease Agreement and the other Borrower Documents, when assigned to the Trustee under the Indenture, will constitute the legal, valid, and binding agreements of the Borrower enforceable against the Borrower in accordance with their terms, including by the Trustee for the benefit of the Owners, except as the enforcement thereof may be limited by bankruptcy, insolvency, re-organization, arrangement, fraudulent conveyance, moratorium, and other laws relating to or affecting creditors' rights, to the application of equitable principles, and to the exercise of judicial discretion in appropriate cases. The Unassigned Rights constitute the legal, valid, and binding agreements of the Borrower enforceable against the Borrower (i) by the Authority in its own right, or (ii) in the case of the rights of any Authority Indemnified Person (including, without limitation, the right of any Authority Indemnified Person to indemnification and immunity from liability), by such Authority Indemnified Person in his, her or its own right in accordance with their respective terms except as the enforcement thereof may be limited by bankruptcy, insolvency, re-organization, arrangement, fraudulent conveyance, moratorium, and other laws relating to or affecting creditors' rights, to the application of equitable principles, and to the exercise of judicial discretion in appropriate cases.

Governmental Consents. Neither the Borrower nor any of its business or properties, nor any relationship between the Borrower and any other Person, nor any circumstance in connection with the execution, delivery, and performance by the Borrower of its obligations under any of the Borrower Documents, or the offer, issuance, sale, or delivery by the Authority of the Bonds, is such as to require the consent, approval, permission, order, license, or authorization of, or the filing, registration, or qualification with, any governmental authority on the part of the Borrower in connection with the execution, delivery, and performance of the Borrower Documents, the consummation of any transaction therein contemplated, or the offer, issuance, sale, or delivery of the Bonds, except as have been obtained or made and as are in full force and effect, except as are not currently obtainable, other than the recording of the Leasehold Mortgage and the filing of financing statements or instruments effective as financing statements perfecting the security interests created by the Security Documents to be recorded and filed in connection therewith, and except as may be required under any federal or state securities or blue sky laws. To the knowledge of the Borrower, the Borrower will be able to obtain all such additional consents, approvals, permissions, orders, licenses, or authorizations of governmental authorities as may be required on or prior to the date the Borrower is legally required to obtain the same.

No Defaults. No Event of Default has occurred and is continuing. To the knowledge of the Borrower, the Borrower is not in default or violation in any material respect under any charter instrument, limited liability company agreement, or other agreement or instrument to which it is a party or by which it may be bound. For purposes of this subsection, a default or violation is deemed "material" if it adversely affects the ability of the Borrower to perform its obligations hereunder.

Compliance with Law. To its knowledge the Borrower is not in violation of any laws, ordinances, or governmental rules or regulations to which it is subject and has not failed to obtain any licenses, permits, franchises, or other governmental authorizations (that are currently obtainable) necessary to the ownership of its properties or to the conduct of its business, which violation or failure to obtain might materially and adversely affect the properties, business, prospects, profits, or condition (financial or otherwise) of the Borrower.

Restrictions on the Borrower. The Borrower is not a party to or bound by any contract, instrument, or agreement, or subject to any other restriction that materially and adversely affects its business, properties, assets, operations, or condition (financial or otherwise). The Borrower is not a party to any contract or agreement other than the Bond Documents that restricts the right or ability of the Borrower to incur indebtedness for borrowed money or to enter into long-term leases.

No Prior Pledge. The property to be encumbered by the Leasehold Mortgage has not been, and will not be, mortgaged, pledged, or hypothecated in any manner or for any purpose and has not been, and will not be, the subject of a grant of a security interest by the Borrower other than as provided in the Leasehold Mortgage as security for its obligations under this Lease Agreement.

Management Agreement. The Borrower has not entered into and will not enter into any management contract or other service contract relating to the Bonds or the Project that is not a Qualified Management or Service Agreement.

No Pension Plans. The Borrower does not maintain; has not maintained; and is not a party to, and has not been a party to, any employee pension or benefit plan.

Disclosure. No written information, exhibit, or report furnished to the Authority by the Borrower in its application for financing or by the Borrower for inclusion in this Agreement contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading, provided, however, that the representation and warranty in this subsection is made only to the Authority and may not be relied on by any other Person.

Statutory Liens. To the knowledge of the Borrower, based on the representations of the University, there are no mechanics' or materialmen's Liens or other statutory Liens on the Project.

Compliance. To the knowledge of the Borrower, based on the representations of the University, the Project complies, or will comply in all material respects with all currently applicable building and zoning, health, environmental, and safety ordinances and laws and all other Applicable Laws, rules, and regulations of any and all governmental and quasi-governmental authorities having jurisdiction over any portion of the Project.

Utilities. To the best knowledge of the Borrower, based on representations of the University, all utility services and facilities necessary for the operation of the Project for its intended purposes are or will be available at the Property.

Condemnation. To the knowledge of the Borrower, based upon representations of the University, no condemnation or eminent domain proceeding has been commenced, is currently pending, or, is threatened against the Project.

Tax Returns. All tax returns (federal, state and local), if any, required to be filed by or on behalf of the Borrower have been filed (subject to lawful extensions), and all taxes shown thereon to be due, including interest and penalties, except such, if any, as are being actively contested by the Borrower in good faith, have been paid or adequate reserves have been made for the payment thereof which reserves, if any, are reflected in the audited financial statements described therein.

No Material Adverse Change. Subsequent to the date on which the Authority authorized the Authority Documents, and as of the Closing Date, there has been no material adverse change in the financial condition, prospects or business affairs of the Borrower or, to the best knowledge of the Borrower, the feasibility of the Borrower operating the Project in accordance with this Lease Agreement.

Charitable Mission. The financing of the Project by the Authority will assist the Borrower in furthering Collegiate Housing Foundation's charitable mission. The financing of the Project is within the charitable mission of Collegiate Housing Foundation.

Section 3.03 Single Purpose Entity Representations and Warranties

The Borrower represents, warrants and covenants to the Authority as follows:

(1) The Borrower does not own and will not own any asset or property other than the Project and incidental personal property necessary for the ownership or operation of the Project.

(2) The Borrower will not engage in any business other than the ownership of the Project, leasing or licensing units in the Project or leasing the Project as contemplated in the Bond Documents, and management and operation of the Project and as may be necessary or appropriate for the Borrower to comply with its obligations under this Lease Agreement and the other Bond Documents.

(3) The Borrower will not enter into any contract or agreement with any affiliate of the Borrower, Collegiate Housing Foundation the owner of any beneficial interest in the Borrower or any affiliate of any constituent party, except upon terms and conditions that are intrinsically fair and substantially similar to those that would be available on an arm's length basis with third parties other than any such party.

(4) The Borrower has not incurred and will not incur, any Indebtedness, secured or unsecured, direct or indirect, absolute or contingent (including guaranteeing any obligation), except as contemplated or permitted in the Bond Documents.

(5) The Borrower has not made and will not make, any loans or advances to any third party (including any Affiliate or constituent party of the Borrower), and will not acquire obligations or securities of any Affiliate. The Borrower is and will remain solvent and the Borrower will pay its debts and liabilities from its assets as the same shall become due.

(6) The Borrower has done or caused to be done and will do all things necessary to observe organizational formalities and preserve its existence, and will maintain its existence under the laws of the State of Alabama and authorization to conduct business in the State of Alabama and the Borrower will not amend, modify or otherwise change its Articles of Organization, Operating Agreement or other organizational documents of the Borrower except as permitted thereby.

(7) The Borrower will maintain books, records, financial statements and bank accounts separate from those of its Affiliates. Notwithstanding the foregoing, Borrower is disregarded as an entity separate and apart from Collegiate Housing Foundation for federal income tax purposes, and its financial statements are consolidated with Collegiate Housing Foundation for reporting purposes.

(8) The Borrower will maintain separate annual financial statements prepared in accordance with GAAP applied on a Consistent Basis showing assets and liabilities separate and distinct from those of any other Person or entity, and audited by an Accountant.

(9) If the financial statements of the Borrower are consolidated with the financial statements of any other Person or entity, the Borrower will cause to be included a footnote in such consolidated financial statements indicating the separate existence of the Borrower and its assets and liabilities.

(10) The Borrower will be, and at all times will hold itself out to the public as, a legal entity separate and distinct from any other entity, and will conduct business in its own name and will maintain and utilize separate stationery, invoices and checks. The Borrower will correct any known misunderstanding regarding its status as a separate entity.

(11) Neither the Borrower nor Collegiate Housing Foundation will seek or effect the liquidation, dissolution, winding up, consolidation or merger, in whole or in part, of the Borrower unless in accordance with Section 10.03 hereof.

(12) The Borrower will not commingle the funds and other assets of the Borrower with those of any Affiliate or Collegiate Housing Foundation.

(13) The Borrower has and will maintain or cause to maintain its assets in such a manner that it will not be costly or difficult to segregate, ascertain or identify its individual assets from those of any Affiliate or Collegiate Housing Foundation.

(14) The Borrower does not and will not hold itself out to be responsible for the debts or obligations of any other Person and except as contemplated in the Bond Documents will not pledge its assets for the benefit of any other Person.

(15) Notwithstanding any provisions hereof to the contrary, the Borrower discloses that (i) Collegiate Housing Foundation acts on its behalf, executes agreements including the Borrower Documents and the Bond Documents, as the sole member of the Borrower, Collegiate Housing Foundation owns 100% of the membership interest of the Borrower, (ii) Collegiate Housing Foundation reports the Borrower's financial position as part of its consolidated financial statements, (iii) Collegiate Housing Foundation's mission and purposes is limited to carrying out its charitable purposes and charitable mission, and (iv) the Borrower has no employees, and has or will engage the Manager to operate the Project on its behalf. To the extent that the foregoing violates any provisions of this Section those violations are hereby waived by the Authority and deemed to be permitted.

ARTICLE 4

LEASE OF PROJECT; SECURITY; TITLE

Section 4.01 Demise of Project

The Authority does hereby demise and lease to the Borrower, and the Borrower does hereby lease and take from the Authority, all right, title and interest of the Authority in and to the Project, subject to Permitted Encumbrances and the terms of this Agreement.

Section 4.02 Burdens and Benefits of Ownership of Project

The Authority and the Borrower agree that pursuant to the terms of this Agreement the Borrower shall have all of the burdens and benefits of ownership of the Project for the term of this Agreement.

Section 4.03 Quiet Enjoyment

The Authority agrees the Borrower shall peaceably and quietly have, hold and enjoy the Project during the period in which this Agreement is in effect, subject to all the terms and provisions of this Agreement and to the exercise of remedies by the Authority and the Trustee upon an Event of Default.

Section 4.04 Warranty of Title by Borrower

The Borrower warrants that the Project is and will be maintained free from all Liens other than Permitted Encumbrances.

Section 4.05 Title Insurance

The Borrower will, simultaneously with the issuance of any series of Bonds, deliver to the Trustee an ALTA leasehold mortgagee's title binder or policy of leasehold mortgage insurance issued by a title insurance company acceptable to the Underwriter and the Trustee in the amount of the Bonds to be issued, and naming the Trustee and the Authority as insureds, as their interests may appear. The Borrower will furnish, within the time limit specified in any binder, an original of a mortgagee's title policy of leasehold mortgage insurance issued by such title insurance company. The mortgagee's title policy will insure that the Trustee has a valid first Lien on the Borrower's leasehold interest in the real property described in Exhibit A to this Lease Agreement subject only to Permitted Encumbrances. There will be deleted in such policy the standard exceptions for discrepancies, encroachments, overlaps, conflicts in boundary lines, servitudes, shortages in area, or other matters that would be disclosed by an accurate survey and inspection of the Property, for mechanics' and materialmen's liens, or for rights or claims of parties in possession and easements or claims of easements not shown by the public records. Any Net Proceeds payable either to the Trustee or the Borrower under such policy will be subject to the Lien of the Indenture, will be paid to the Trustee for deposit in the Accounts of the Insurance Fund as provided in the Indenture, and will, at the Borrower's written direction, be either (a) used to acquire or construct replacement or substitute property for that to which title has been lost, or (b) deposited into the Redemption Fund and used to redeem the Bonds in accordance with the Indenture. Any such replacement or substitute property must be approved in writing by the Authority and the Trustee.

Section 4.06 Borrower's Covenants Regarding Title

The Borrower will protect, preserve, and defend its interest in the Project; appear and defend such interest in any action or proceeding affecting or purporting to affect the Project or the Security Documents, or any of the rights of the Trustee thereunder; and pay on demand all reasonable costs and expenses incurred by the Trustee in or in connection with any such action or proceeding, including reasonable attorneys' fees, as described in Section 12.04, whether any such action or proceeding progresses to judgment and whether brought by or against the Trustee. The Trustee will be reimbursed for any such costs and expenses in accordance with the provisions of Section 8.08. If the Borrower does not take the action contemplated herein, the Trustee or the Authority may, but is not be under any obligation to, appear or intervene in any such action or proceeding and retain counsel therein and defend the same or otherwise take such action therein as it may be advised and may settle or compromise the same and, in that behalf and for any of such purposes, may expend and advance such sums of money as it deems necessary, and such sums will be an advance payable in accordance with Section 8.08.

Section 4.07 Environmental Condition of the Project and Indemnification

(a) The Borrower warrants, represents and covenants to the Authority and the Trustee that, to its knowledge based on the representations of the University, and other than as disclosed in a Phase I Environmental Site Assessment: (i) the Project is and at all times hereafter, will continue to be in full compliance with all Environmental Laws, as hereinafter defined, and (ii) (A) as of the date hereof there are no Hazardous Materials, as defined in subsection (d) of this Section, substances, wastes, or other environmentally regulated substances (including without limitation, any materials containing asbestos) located on, in, or under the Project or used in connection therewith, or (B) the Borrower has fully disclosed to the Authority, the Underwriter and the Trustee in writing the existence, extent, and nature of any such Hazardous Materials, substances, wastes, or other environmentally regulated substances that the Borrower is legally authorized and empowered to maintain on, in, or under the Project or used in connection therewith, and the Borrower has obtained and will maintain in full force and effect all licenses, permits, and approvals required with respect thereto, and is in compliance in all material respects with all of the terms, conditions, and requirements of such licenses, permits, and approvals. The Borrower further warrants, represents and covenants that it will promptly notify the Authority and the Trustee in writing of any change in the nature or extent of any Hazardous Materials, substances, or wastes maintained on, in, or under the Project or used in connection therewith, and will transmit to the Authority and the Trustee copies of any citations, orders, notices, or other material governmental or other communication received with respect to any other Hazardous Materials, substances, wastes, or other environmentally regulated substances affecting the Project. The Borrower covenants that it will require the University to require that all work on the Project and activities of contractors, sub-contractors, consultants, or any other agent of the Borrower will also be in compliance with all federal, state, and local environmental laws, regulations, and ordinances as cited above, and further covenants that neither the Borrower nor its agents will engage in any management of solid or hazardous wastes at the Project other than in the ordinary course of the development, construction, use, management, or operation of the Project for its intended purpose and in compliance with Environmental Laws.

(b) The Borrower, but not in any case Collegiate Housing Foundation or the trustees, managers, officers, directors, employees and agents of the Borrower or Collegiate Housing Foundation, will indemnify and hold the Indemnified Persons and the University harmless from and against any and all damages (including natural resource damages), penalties, fines, claims, Liens, suits, liabilities (including strict liabilities), costs (including clean-up, investigation, and monitoring costs), judgments, and expenses (including attorneys' consultants,' or experts' fees and expenses of every kind and nature) suffered by or asserted against the Indemnified Persons or the University as a direct or indirect result of any warranty or representation made by the Borrower in the preceding subsection being false or untrue in any respect or any requirement or liability under any Environmental Law, including any law, regulation, or ordinance, local, state, or federal, that requires the investigation, monitoring, elimination, or removal of any Hazardous Materials, substances, wastes, molds, fungi, bacteria, infectious material, or other environmentally regulated substances.

(c) The Borrower's obligations hereunder to the Indemnified Persons and the University are not limited to any extent by the term of the Bonds, and, as to any act or occurrence prior to payment in full and satisfaction of the Bonds that gives rise to liability hereunder, will continue, survive, and remain in full force and effect notwithstanding payment in full and satisfaction of the Security Documents or foreclosure under the Leasehold Mortgage.

(d) For purposes of this section:

(1) **Hazardous Materials** means any substance, material, or waste, whether solid, liquid, or gas, the generation, handling, storage, treatment, or disposal of which is regulated by, or may form the basis of liability now or hereafter under, any government authority in any jurisdiction in which the Borrower has owned, leased, or operated real property or disposed of such substances, materials, or wastes, or by any federal government authority, including, without limitation, any substance, material, or waste which is (i) defined as a "solid waste," "hazardous waste," "hazardous material," "hazardous substance," "extremely hazardous waste," "restricted hazardous waste," or other similar term or phrase under any Environmental Law, (ii) petroleum or any fraction or by-product thereof, asbestos, any polychlorinated biphenyl, urea formaldehyde foam insulation, radon or any other radioactive or explosive substance, methane, volatile hydrocarbons, or an industrial solvent, (iii) designated as a "hazardous substance" pursuant to §311 of the Clean Water Act, as amended (33 U.S.C. §§1251 *et seq.*) (the "Clean Water Act") or listed pursuant to §307 of the Clean Water Act, (iv) defined as a "hazardous waste" pursuant to §1004 of the Resource Conservation and Recovery Act, as amended (42 U.S.C. §§6901 *et seq.*) ("RCRA"), (v) defined as a "hazardous substance" pursuant to §1012 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. §§9601 *et seq.*), as amended by the Superfund Amendments and Reauthorization Act of 1986, and as now or hereafter otherwise amended ("CERCLA").

(b) **Environmental Laws** means any federal, state, or local law, statute, ordinance, and regulation, now or hereafter in effect, and in each case as amended or supplemented from time to time, and any applicable judicial or administrative interpretation thereof, including, without limitation, any applicable judicial or administrative order, consent decree, or judgment applicable to the Property relating to the regulation and protection of human health and safety and/or the environment and natural resources (including, without limitation, ambient air, surface water, groundwater, wetlands, land surface or subsurface strata, wildlife, aquatic species, and/or vegetation). Environmental Laws include, but are not limited to, the National Environmental Policy Act of 1969, as amended (42 U.S.C. §§4321 *et seq.*); the Solid Waste Disposal Act (42 U.S.C. §§ 6901 *et seq.*); CERCLA; the Hazardous Material Transportation Act, as amended (49 USC §§1801 *et seq.*); the Federal Insecticide, Fungicide, and Rodenticide Act, as amended (7 U.S.C. §§136 *et seq.*); RCRA; the Toxic Substance Control Act, as amended (15 U.S.C. §§2601 *et seq.*); the Clean Water Act; the Clean Air Act, as amended (42 U.S.C. §§7401 *et seq.*); the Federal Water Pollution Control Act, as amended (33 U.S.C. §§1251 *et seq.*); the Federal Coastal Zone Management Act, as amended (16 U.S.C. §§1451 *et seq.*); the Occupational Safety and Health Act, as amended (29 U.S.C. §§651 *et seq.*); the Safe Drinking Water Act, as amended (42 U.S.C. §§300(f) *et seq.*); and any and all regulations promulgated thereunder, and all analogous local counterparts or equivalents, and any transfer of ownership notification or approval statutes.

ARTICLE 5

ISSUANCE OF THE BONDS

Section 5.01 Issuance of the Bonds

Pursuant to the Indenture the Authority will issue and deliver the Bonds in various series to finance the Project and will cause the proceeds of the Bonds to be applied as provided in the Indenture.

Section 5.02 Security for the Bonds

- (a) As security for the payment of the Bonds, the Authority will execute and deliver the Security Documents.
- (b) The Borrower agrees and consents to the terms and provisions of the Security Documents.
- (c) The Borrower agrees that:
 - (2) The Borrower will pay all Additional Lease Payments described in Section 7.02(b)(1), all Basic Lease Payments, all directly to the Trustee for the account of the Authority.
 - (3) The Trustee will have all rights and remedies herein accorded to the Authority (except for Unassigned Rights), and any reference herein to the Authority is deemed, with the necessary changes in detail, to include the Trustee, and the Trustee and the Owners are deemed to be and are third party beneficiaries of the representations, covenants, and agreements of the Borrower herein contained.
 - (4) The Borrower will record the Leasehold Mortgage in all offices required by Applicable Law.
 - (5) The Borrower will perfect, and will maintain during the term of this Lease Agreement the perfection of, the security interests of the Trustee created by the Security Documents in compliance with the Alabama Uniform Commercial Code.

ARTICLE 6

Acquisition and Construction of the Project; Latent Defect Notices

Section 6.01 Acquisition, Construction, Furnishing, and Equipping of the Project

(a) The Authority authorizes the Borrower to use the proceeds of the Bonds to acquire, construct, furnish and equip the Project as provided in the Indenture.

(b) The Borrower agrees that it will, at all times during the construction of the Project, cause the University to maintain in full force and effect builder's risk - completed value form insurance insuring all buildings, structures, boilers, equipment, facilities, fixtures, supplies, and other property constituting the Project on an "all risk of loss or damage basis," currently referred to as "special form," including coverage for soft costs and lost rents due to covered damage and destruction prior to completion in an amount not less than the Maximum Annual Debt Service for the Bonds Outstanding for, including perils of fire, lightning, and all other risks covered by the extended coverage endorsement then in use in the State of Alabama to the full replacement cost of the Project. Such policy or policies of insurance will name the Authority, the Borrower, the Trustee, and the University as insureds, as their respective interests may appear, and will name the Trustee as mortgagee under a standard loss payable endorsement providing that no act or omission by the named insured will in any way prejudice the rights of the Trustee thereunder, and all Net Proceeds received under such policy or policies by the Borrower or the Authority will be paid over to the Trustee and deposited into the Insurance Fund to be applied to the restoration or completion of the Project or to the redemption of the Bonds in accordance with the provisions of Section 9.01. In addition, the Borrower will cause the University at all times during the construction of the Project to maintain, or cause to be maintained by the Developer, the Contractor, and the Architect, as applicable (i) general liability, automobile liability, pollution liability, errors and omissions liability, and umbrella/excess liability insurance, all as required by the Development Management Services Agreements and the Construction Services Agreements and the Design Services Agreements and (ii) workers' compensation insurance as required by law. Said insurance policy or policies will contain a provision that such insurance may not be canceled by the insurance provider thereof without at least 30 days' advance written notice (10 days for non-payment of premium). The Borrower will promptly forward any notice of cancellation received from an insurance carrier to the Authority and the Trustee. All such policies or copies thereof or certificates that such insurance is in full force and effect will be delivered to the Trustee at or prior to the delivery of each series of Bonds all or a part of the proceeds thereof will be applied for capital expenditures for the Project.

(c) The Borrower agrees that it will cause the University to deliver or require the Contractor to deliver to the Trustee performance and labor and material payment bonds with respect to the Construction Agreement, and in the full amount thereof, made by the Contractor as the principal and a surety company or companies that is or are licensed to do business in the State of Alabama, rated at least "A" by S&P or "Excellent (A/A-)" by A.M. Best Company, Inc., and otherwise satisfactory and acceptable to the University and the Underwriter, which bonds shall be in such forms as are acceptable to the University and the Underwriter and name the Authority, the Borrower, the Trustee and the University as the obligees (or dual obligees, as applicable). The Borrower will cause all Net Proceeds received under said bonds to be deposited in the applicable construction fund for the part of the Project for which such bonds were obtained, or if received after the applicable Completion Date therefor, will be used to pay any obligation then owed by the Borrower under this Lease Agreement, and if any remaining amount of such Net Proceeds will be deposited into the Revenue Fund. If any of the Borrower, the Trustee, and the University desires to enforce its rights as an obligee (or dual obligee) under a performance bond, such entity shall provide written notice to the Borrower, the Trustee, and the University of such intent, and agrees to meet and confer within five (5) days of the delivery of such notice with the Borrower, the University, and the Trustee to discuss making a claim on such performance bond.

(d) The Borrower agrees to construct the Project in accordance with the Plans and Specifications and the Construction Contracts, subject to the terms and conditions of the Ground Lease, and warrants that such construction will result in a facility suitable for use by the Borrower for the intended purposes thereof and as an "ancillary improvement" (as defined in the Authorizing Act) and that all real and personal property provided for therein is necessary or appropriate in connection with Project. The Borrower may make changes in or additions to the Plans and Specifications; provided, however, changes in or additions to such Plans and Specifications that are material will be subject to the prior written approval of the University, as and to the extent required by the Affiliation Agreement.

(e) The Borrower will not permit any mechanics' or materialmen's or other Liens to be perfected or remain against the Project for labor or materials furnished in connection with the construction of the Project, provided that it will not constitute an Event of Default on such Lien's being filed, if the Borrower will promptly notify the Trustee of any such Liens, and the Borrower will in good faith promptly contest such Liens; in such event the Borrower may permit the items so contested to remain undischarged and unsatisfied during the period of such contest and any appeal therefrom provided the Borrower will furnish the Trustee with a bond or cash deposit equal to at least the amount so contested, a title insurance endorsement, or an Opinion of Counsel stating that by nonpayment of any such items the Liens of the Security Documents as to any material part of the Project will not be materially and imminently endangered and neither the Project nor any material part thereof will be subject to imminent loss or forfeiture. The proceeds of the bond, cash deposit, or title insurance endorsement may be used by the Trustee to satisfy the Lien if action is taken to enforce the Lien and such action is not stayed. If the Borrower will be unable or will otherwise fail to obtain such a bond or provide such a cash deposit or title insurance endorsement or such an Opinion of Counsel, the Borrower will promptly cause to be satisfied and discharged all such items by payment thereof. In the event the Borrower fails to pay any of the foregoing items required by this Section to be paid by the Borrower, the Authority or the Trustee may (but are under no obligation to) pay the same, and any amounts so advanced therefor by the Authority or the Trustee will become an advance repayable in accordance with Section 8.08. The Borrower will cause the completion of the acquisition and construction of the Project to occur as promptly as practicable, with all reasonable dispatch, in a good and workmanlike manner.

(f) The Authority and the University agree to grant such utility, access and other easements over, across, and under the real property of the Authority and the University as in the reasonable judgment of the Borrower is necessary for the construction and operation of the Project.

Section 6.02 Construction Fund

(a) The Authority and the Borrower agree:

(1) The proceeds of the Bonds will be applied to the Costs of the Project by disbursement of such proceeds by the Trustee as provided in the Indenture and in accordance with this Section.

(2) The Trustee shall, in making any disbursement of proceeds of Bonds, rely upon any instrument or signature reasonably believed by it to be genuine and authorized and is not required to confirm or otherwise investigate any factual statements made therein.

(3) The Borrower covenants and agrees to indemnify and hold harmless the Authority and the Trustee and the Authority Indemnified Persons and the University and the Trustee Indemnified Persons from any liability incurred in connection with any application by the Borrower for the disbursement of proceeds of Bonds which indemnification will survive the Agreement Term.

(b) Subject to compliance by the Borrower with all of the terms, provisions, and conditions of this Lease Agreement, including, but not limited to, the applicable conditions for disbursements set forth in this Section, the Borrower will submit requisitions to the Trustee for the payment from proceeds of Bonds for Non-Construction Costs in one or more disbursements in accordance with the following procedures:

(1) Not less than five Business Days before the date on which the Borrower desires a disbursement from a designated Account of the Construction Fund, but not more frequently than monthly, the Borrower will submit to the Trustee a requisition for payment substantially in the form of the applicable schedule set forth in a Supplemental Indenture providing for the Construction Fund, which will be accompanied by an itemization of Non-Construction Costs in such detail as the Trustee requires, and the accuracy of such cost and fee itemization will be certified by the Borrower. The requisition must be signed by the Authorized Borrower Representative; and (B) prior to Borrower submitting any such requisition for payment of Non-Construction Costs, the University shall approve such requisition for payment, and such approval shall constitute a certification by the University to the Trustee and the Borrower that, after given effect to the disbursement, amounts remaining in the such Account of the Construction Fund, plus expected earnings thereon, are sufficient to pay the remaining Costs of the Project as determined on the date of such requisition.

(2) A disbursement request for Non-Construction Costs submitted in accordance with the foregoing procedure need not comply with, and is not subject to the requirements of, subsections (d), (g), or (h) of this Section.

(c) Subject to compliance by the Borrower with all of the terms, provisions, and conditions of this Lease Agreement, including, but not limited to, the conditions for disbursements set forth in this Section, the Borrower shall submit requisitions to the Trustee for the payment of proceeds of Bonds to the Borrower, to the University, or to the appropriate contractor under the Construction Contracts, for Construction Costs in several disbursements in accordance with the following procedures:

(1) Not less than five banking days before the date on which the Borrower desires a disbursement, but not more frequently than monthly, the Borrower will submit to the Trustee a requisition for payment in the applicable schedule to the Supplemental Indenture which established the Construction Fund, which will be accompanied by (A) an application for payment in the form of American Institute of Architects Document G702, Application and Certificate for Payment (a "G702"), and American Institute of Architects Form G703, Continuation Sheets (a "G703") if the requisition relates to amounts to be paid to the Contractor or (B) an application for payment substantially in the form of a G702 and continuation sheets substantially in the form of a G703 if the requisition relates to amounts to be paid to the University.

(2) The Authorized University Representative will approve each requisition for payment, and such approval will constitute a certification to the Trustee and the Borrower (A) that all work theretofore performed is in compliance with the Plan and Specifications and that all work and material for which payment is sought has been done and provided; (B) that the work has been done in accordance with Plans and Specifications for the Project; and (C) that, after given effect to the disbursement, amounts remaining in the Construction Fund, plus expected earnings thereon, are sufficient to pay the remaining Costs of the Project as determined on the date of such requisition.

(3) The University will determine the "maximum allowable disbursement" by adding to the cost of completed construction to date (as determined by the University on the basis of its review of the Application and Certificate of Payment and cost breakdown) any allowable Non-Construction Costs related to the Project.

(4) (i) Subject to the requirements of subsection (h) of this Section, the disbursement requested from the Trustee will be the "maximum allowable disbursement" as determined under (3) above less: (A) the percentage of the cost of completed construction specified in the Construction Contracts to be retained (hereinafter referred to as the "Retainage") and (B) the amounts previously disbursed by the Trustee.

(ii) The Retainage (but in no event more than the balance in the Construction Fund less amounts retained or set aside to meet costs not then due and payable or that are being contested) under the Development Agreement, under the Construction Agreement, or under any other Construction Contract will be disbursed by the Trustee only after (A) the Development Agreement or such Construction Contract has been performed to the satisfaction of the Borrower, as evidenced by the signature of the Authorized Borrower Representative on the final Application and Certificate for Payment, (B) the Trustee has received from the University an affidavit to the effect that the University, the Architect, and the Contractor, and all of its subcontractors and suppliers of labor and materials have been paid in full, (C) with respect to the Construction Agreement, the Borrower, the University, or the Contractor must deliver to the Trustee a final certificate of occupancy or a temporary certificate of occupancy for the Building and other necessary operating permits, along with a certificate of the Borrower that the same constitute all the certificates of approval necessary for operation of the Project, and, if applicable, (D) with respect to the Construction Agreement, the Borrower must deliver to the Trustee a certificate of substantial completion listing the items to be completed or corrected, if any, and the amounts to be withheld therefor, signed by the Authorized Borrower Representative and approved by the University stating that, except for amounts retained by the Trustee for costs of the construction not then due and payable, (a) construction of that portion of the Project relating to such Construction Agreement has been completed substantially in accordance with the Plans and Specifications, and all labor, services, materials, and supplies used in such construction have been paid or provided for, (b) all other facilities necessary in connection with the construction of that portion of the Project relating to such Construction Agreement have been constructed, acquired, and installed substantially in accordance with the Plans and Specifications therefor and all costs and expenses incurred in connection therewith have been paid or provided for, and (c) according to the "as built" survey of the Property or a certificate of the surveyor, the Building does not encroach on any other property or violate any setback or sideline requirements applicable to the Property. Notwithstanding the foregoing, such certificate may state that it is given without prejudice to any rights against third parties that exist at the date of such certificate or that may subsequently come into being. The University will certify the matters covered by subsection (ii)(D) above. The Borrower will cause the certificate required by subsection (ii)(D) above to be furnished as soon as the construction of the Project is completed and again as soon as the construction of any expansions or improvements to the Project financed with the proceeds of Additional Bonds is completed.

(d) Notwithstanding any other terms and provisions set forth herein, the Borrower may request the Trustee to make all disbursements or any disbursement directly to the Borrower (in accordance with paragraph (h) hereof), to the University, to the Architect, to the Contractor, to any contractor, or to any subcontractor, laborer, materialman, or Person furnishing labor, services, or materials used or to be used on or in the construction of the Project (including authorized extras) or to any combination of them. Any such disbursement is deemed to have been made to the Borrower or for its account.

(e) The execution of each Application and Certificate for Payment submitted for disbursements relating to Construction Costs by the Borrower will constitute the certification, warranty, and agreement of the Borrower as follows:

(1) the Project is free and clear of all Liens except Permitted Encumbrances;

(2) all evidence, statements, and other writings required to be furnished under the terms of this Lease Agreement and the Indenture are true in all material respects and omit no material fact the omission of which may make them misleading;

(3) all money previously disbursed has been used solely to pay for costs allowed by this Lease Agreement, and the Borrower has written evidence to support this item of warranty;

(4) none of the items for which payment is requested has formed the basis for any payment previously made from the applicable Construction Fund;

(5) all bills for labor, materials, and fixtures used, or on hand and to be used, in the construction of the Project or the improvements have been paid, and no Person is asserting a Lien with respect thereto, except Permitted Encumbrances;

(6) such Application and Certificate for Payment contains no items representing payment of any amount constituting Issuance Costs;

(7) the payment of such requisition, together with the payment of all prior requisitions, will not result in more than 5% of the proceeds of any series of Tax-Exempt Bonds being used directly or indirectly in any trade or business carried on by any Person that is not a Tax-Exempt Organization or a Governmental Authority or in any unrelated trade or business of a Tax-Exempt Organization;

(8) the amount remaining in a Construction Fund after the payments of such requisition plus expected earnings thereon are sufficient to pay the remaining Costs of the Project, with respect to the Project; and

(9) no Event of Default has occurred and is continuing.

(f) The Borrower covenants and agrees that, on the request of the Trustee from time to time, it will furnish the Trustee with evidence that is reasonably satisfactory to the Trustee (including, but not limited to, certificates and affidavits of the Borrower and the University or any contractor or such other Person as the Trustee may reasonably require) showing that to its knowledge (i) the cost of construction existing at that time, (ii) that all outstanding claims for labor, materials, fixtures, furnishings, equipment, and other work have been paid or provided for in accordance with the requirements of this Lease Agreement, (iii) that there are no Liens outstanding or unpaid other than Permitted Encumbrances, (iv) that the Borrower has substantially complied with all of the Borrower's obligations hereunder and under the Indenture, (v) that all construction has been done in accordance with the Plans and Specifications, (vi) that the performance and labor and material payment bonds required by Section 6.01 are in full force and effect, and (vii) that no Event of Default has occurred and is continuing. In providing any evidence, certificate, or affidavit to the Trustee under this subsection (g), the

Borrower may reasonably rely on the certifications of the University, the Architect, the Contractor and/or other Person.

(g) The Authority and the Borrower agree that the Trustee will not make any disbursement from the Construction Fund unless each and all of the conditions precedent set forth below are met and complied with in full:

(1) if the disbursement is for Construction Costs, the Trustee must have evidence that the builder's risk - completed value form insurance required by Section 6.01 is in full force and effect;

(2) at the time of each disbursement the Trustee must not have or be deemed to have notice of an Event of Default that has occurred and is continuing;

(3) at the time each disbursement is made under this Section as a reimbursement to the Borrower or the Authority, the Borrower or the Authority must deliver to the Trustee evidence satisfactory to the Trustee of prior payment by the Borrower or the Authority to the appropriate contractor or supplier under the Construction Contracts or other Person of the amount then and theretofore approved for payment.

(h) The Authority and the Borrower agree that if sufficient liquid funds are not available to the Trustee at the time of presentation of an Application and Certificate for Payment then payment of such Application and Certificate for Payment will be delayed until liquid funds or additional funds sufficient to satisfy the requirements of this Section are received by the Trustee.

(i) The University may delegate or subcontract certain of its obligations with respect to the requisitions to Landmark Development Services Company, LLC, as Development Manager, provided however, the University shall, from and after any such delegation or subcontract, be and remain fully liable for the performance of such obligations.

Section 6.03 Establishment of Completion Date

The applicable Completion Date will be evidenced to the Trustee by a certificate of substantial completion signed by the Authorized Borrower Representative and the Authorized University Representative stating that, except for amounts retained by the Trustee for Costs of the Project not then due and payable as provided in Section 6.03, (a) construction of the Project has been completed substantially in accordance with the Plans and Specifications and all labor, services, materials, and supplies used in such construction have been paid or provided for, (b) all other facilities necessary in connection with the construction of the Project have been constructed, acquired, and installed substantially in accordance with the Plans and Specifications, and all costs and expenses incurred in connection therewith have been paid or provided for, and (c) a certificate of occupancy for the Project has been issued by appropriate local governmental authorities, if applicable. Notwithstanding the foregoing, such certificate may state that it is given without prejudice to any rights against third parties that exist at the date of such certificate or that may subsequently come into being. The Authorized University Representative will certify the matters covered by (a) and (b) above. It will be the duty of the Borrower to cause the certificate contemplated by this Section to be furnished as soon as the construction of the Project is substantially completed.

Section 6.04 Borrower Required to Pay Costs of the Project if Construction Fund Insufficient

In the event the money in the Construction Fund available for payment of the Costs of the Project is not sufficient to pay such costs in full, the Borrower will cause the acquisition and construction of the Project to be completed, and the payment of the Costs of the Project as may be in excess of the money available therefor in the Construction Fund made, by the University in accordance with the Affiliation Agreement, provided, however, that in such event the Authority, the Borrower, and the Trustee, by acceptance of assignment of this Lease Agreement, agree that in such event the University may, in its discretion, proceed with completion of the Project, and payment of excess Costs of the Project, in conjunction with, or subsequent to, the exercise of any action or remedy available to the University at law, in equity, or by contractual agreement, against any Person or Persons in respect of the excess Costs of the Project; provided, further, however, payment of excess Costs of the Project, and pursuance of remedies in respect thereof, by the University shall not result in any abatement, diminution, postponement or reimbursement of payments by the University under the Affiliation Agreement, or in the abatement, diminution or postponement of any of the Lease Payments pursuant to this Lease Agreement. The Authority does not make any warranty, either express or implied, that the money that will be deposited into the Construction Fund and that, under the provisions of this Lease Agreement, will be available for payment of the Costs of the Project, will be sufficient to pay all the costs that will be incurred in that connection. The obligations of the Borrower in this Section will survive any termination of this Lease Agreement.

Section 6.05 Facilities Condition Report; Repair and Replacement Fund Certification; Latent Defect Report

(a) At least every five years following each Completion Date, the Borrower will file with the Trustee a certification accompanied by a written report following each Periodic Project Assessment for the Project. The Repair and Replacement Fund Requirement for the Project will be subject to adjustment upward or downward if so recommended in the Periodic Project Assessment report, and if so adjusted, the Borrower will provide the Authority and the Trustee with a revised Schedule 6.07 to the Indenture which revised Exhibits will, from and after the date of such recommendation, be deemed and treated as a supplement to the Indenture.

(b) The Borrower shall cause a Latent Defect Report to be prepared for the Project no later than 270 days before the fifth anniversary of each Completion Date. If any latent and inherent defective items determined to have been present in the design and construction of the Project are identified in the Latent Defect Report, the Borrower will, in a prompt and timely manner, prepare and deliver an appropriate form of "Latent Defects Notice" to the University notifying it of such latent and inherent defective items and requesting that they take steps to effectively and immediately remedy such items (and in advance of the expiry of the fifth anniversary of the each Completion Date) to allow complete fulfillment of their contractual obligations with respect to the design and construction of the Project. The Borrower shall promptly deliver copies of the Latent Defect Report and any Latent Defects Notice to the Trustee.

ARTICLE 7**AGREEMENT TERM; LEASE PAYMENTS; PAYMENT OF PLEDGED REVENUES; INVESTMENT OF INDENTURE FUNDS; NATURE OF OBLIGATIONS OF THE BORROWER****Section 7.01 Agreement Term**

This Lease Agreement becomes effective upon its execution and delivery and shall be and remain in full force and effect until the Indenture is discharged and terminated in accordance with the terms thereof, provided that any agreement, covenant or obligation which by the terms thereof expressly survives the termination of this Lease Agreement shall be and remain in full force and effect, and legally binding upon the Person charged thereby, from and after the termination of this Lease Agreement until an action based thereupon shall be prohibited by law.

Section 7.02 Lease Payments**(a) Basic Lease Payments**

The Borrower covenants and agrees to pay, or cause to be paid, to the Trustee, for the account of the Authority, in U.S. Currency immediately available, Basic Lease Payments at such times and in such amounts as shall enable the Trustee to pay Debt Service on the Bonds in full when due on each Stated Interest Payment Date and on each Stated Principal Payment Date; provided, however, the amount of any Basic Lease Payment due with respect to any series of Bonds shall be reduced by the amount, if any, on deposit, on the date on which such Basic Lease Payment is due, in the Account of the Bond Fund established for such series of Bonds and available for payment of Debt Service thereon on the then next succeeding Stated Interest Payment Date or Stated Principal Payment Date, as applicable.

(b) Additional Lease Payments

(1) The Borrower will pay to the Trustee, in U.S. Currency immediately available:

(i) for deposit into the Rebate Fund any amount required to be deposited therein under Section 10.12,

(ii) promptly on request, an amount equal to (A) the annual fee of the Trustee for the Ordinary Services of the Trustee rendered, and the Ordinary Expenses of the Trustee incurred, under the Indenture, as and when the same become due, and (B) the reasonable fees and charges of the Trustee, as bond registrar and paying agent, as and when the same become due, and (C) the reasonable fees and charges of the Trustee for the Extraordinary Services of the Trustee rendered by it, and the Extraordinary Expenses of the Trustee incurred by it, under the Indenture, as and when the same become due; provided, that the Borrower may, without creating an Event of Default, contest in good faith the reasonableness of any such Extraordinary Services of the Trustee and Extraordinary Expenses of the Trustee and the reasonableness of any such fees, charges, or expenses,

(iii) for deposit into any Indenture Fund, other than the Repair and Replacement Fund, the Operations Contingency Fund, and the Surplus Fund, any amounts required to be deposited into such Fund in connection with the issuance of Additional Bonds on the dates provided therefor and

(iv) any and all amounts to effect the extraordinary redemption of any Bonds required to be redeemed under the Indenture.

(2) The Borrower will pay to the Authority in U.S. Currency immediately available:

(i) all of the Authority's costs in connection with the issuance of the Bonds, including but not limited to the Authority's legal counsel,

(ii) in connection with any amendment to this Lease Agreement or refinancing of the Bonds, and

(iii) the Authority Additional Payments.

(3) The Borrower will pay to the Independent Engineer and the Insurance Consultant all of their reasonable fees, charges and expenses,

(4) The Borrower will pay to the Manager any unsubordinated management fees owed under the Management Agreement, which will be evidenced by a written invoice approved by the Borrower and the University.

(5) The Borrower agrees:

(i) Any Authority Additional Payments will be billed to the Borrower by the Authority, the Manager, or the Trustee from time to time, together with a statement certifying that the amount billed has been incurred or paid by such party for one or more of the above items. After such demand, amounts so billed will be paid by the Borrower within 30 days after receipt of the bill by the Borrower.

(ii) In the event the Borrower fails to make any of the payments required in this Section 7.02 the amount thereof so in default will continue as an obligation of the Borrower until such amount in default is paid in full and will bear interest at the highest rate of interest on the Bonds or at such other rate as provided for such payments.

(iii) All amounts deposited in the Funds and Accounts created in the Indenture and available to be used to pay the amounts, fees, charges, and expenses described in subsection (b)(1) in accordance with the terms of the Indenture will be credited against the Borrower's obligation to make Additional Lease Payments to the extent such amounts are so used.

(e) Credit for Transfers and Deposits Under the Indenture

The Borrower will receive a credit against its obligation to make the Lease Payments under this Section to the extent of all sums that are transferred to any Person or deposited to any Indenture Fund or Account thereof in accordance with the provisions of Section 6.03, 6.09, or 6.10 of the Indenture.

Section 7.03 Agreement to Deposit Lease Payments

The Borrower covenants and agrees to cause the Manager to collect and transfer to the Trustee the Lease Payments as provided in the Indenture.

Section 7.04 Payment of Pledged Revenues

The Borrower covenants and agrees to pay, when and as received by the Borrower, the Pledged Revenues to the Trustee, for the account of the Authority, for application as provided in Section 6.03 of the Indenture.

Section 7.05 Investment of Indenture Funds

The Borrower agrees to provide written directions to the Trustee with respect to the investment of the Indenture Funds pursuant to Section 6.11 of the Indenture.

Section 7.06 Nature of Obligations of the Borrower

(a) The obligations of the Borrower to make the payments required thereof under this Lease Agreement (including without limitation Section 7.02) and to perform and observe any and all of the other covenants and agreements on its part contained herein are absolute and unconditional irrespective of any defense or any rights of setoff, abatement, recoupment, or counterclaim it may otherwise have against the Authority, the Trustee or the University. The Borrower agrees that it will not (i) suspend, abate, reduce, abrogate, diminish, postpone, modify, or discontinue any payments to be made by the Borrower under this Lease Agreement, (ii) fail to observe any of its other agreements contained in the Borrower Documents, or (iii) except as provided in Article 13 or in any amendment or amendments hereto executed in connection with the issuance of Additional Bonds, terminate its obligations under any of the Borrower Documents for any contingency, act of God, event, or cause whatsoever, including, without limiting the generality of the foregoing, failure of the Borrower to occupy or to use the Project as contemplated in this Lease Agreement or otherwise, any change or delay in the time of availability of the Project, any acts or circumstances that may impair or preclude the use or possession of the Project, any defect in the title, design, operation, merchantability, fitness, or condition of the Project or in the suitability of the Project for the Borrower's purposes or needs, failure of consideration, any declaration or finding that any of the Bonds are unenforceable or invalid, the invalidity of any provision of this Lease Agreement or any of the other Bond Documents, any acts or circumstances that may constitute an eviction or constructive eviction, destruction or damage to the Project, the taking by eminent domain of title to or the use of all or any part of the Project, commercial frustration of purpose, any change in Applicable Law or any failure of the Authority to perform and observe any agreement, whether express or implied, or any duty, liability, or obligation arising out of or connected with this Lease Agreement.

(b) Nothing contained in this Section will be construed to release the Authority from the performance of any of the agreements on its part herein contained. In the event the Authority fails to perform any such agreement on its part, the Borrower may institute such action against the Authority as the Borrower deems necessary to compel performance so long as such action does not abrogate the Borrower's obligations hereunder.

ARTICLE 8

MAINTENANCE, TAXES, AND INSURANCE

Section 8.01 Maintenance and Modification of Project by the Borrower

(a) The Borrower agrees that during the Agreement Term it will at its own expense (i) keep the Project in as reasonably safe condition as its operations will permit, (ii) keep the Project and all other improvements forming a part of the Project in good repair and in good operating condition, making from time to time, subject to the provisions of Section 8.02, all necessary and proper repairs thereto and renewals and replacements thereof, including external and structural repairs, renewals, and replacements, and (iii) use the Equipment in the regular course of its business only, within the normal capacity of the Equipment, without abuse, and in a manner contemplated by the manufacturer thereof, and cause the Equipment to be maintained in accordance with the manufacturer's then currently published standard maintenance contract and recommendations. The Borrower may, also at its own expense, from time to time make any additions or alterations to the Project that it may deem desirable for its business purposes and that do not, in the opinion of an Independent Engineer filed with the Trustee adversely affect the operation or value of the Project, provided, that the opinion of an Independent Engineer will only be required in the case of material additions or alterations. Additions or alterations to the Project so made by the Borrower will be on the Property, will become a part of the Project, and will become subject to the Lien and security interest of the Leasehold Mortgage. Additions or alterations that cost in excess of \$500,000 will be made only by contractors that furnish performance and labor and material payment bonds in the full amount of such contracts, made by the contractor thereunder as the principal and a surety company or companies reasonably acceptable to the Trustee and such bonds will be in such forms as are reasonably acceptable to the Trustee. Such bonds will name the Borrower, the Authority, the University and the Trustee as obligees, and all Net Proceeds received under such bonds will be paid over to the Trustee and deposited into the Insurance Fund to be applied to the completion of the additions or alterations to the Project.

(b) The Borrower will execute a conditional assignment directing the architect who has prepared any Plans and Specifications for any "material" additions or alterations to make available to the Trustee a complete set of the Plans and Specifications, which assignment will be effective only on the occurrence of an Event of Default. All Construction Contracts executed by the Borrower for construction of any "material" additions or alterations will contain a provision that, or by separate agreement such contractors will agree that, on the occurrence of an Event of Default, said contracts with the contractors and/or sub-contractors will be deemed assigned to the Trustee should the Trustee so direct. The Borrower covenants to include such conditional assignments in all material contracts and subcontracts executed for work to be performed on the Property. For purposes of this Section, the term "material" means any addition or alteration or contract having a cost of more than \$100,000.

(c) The Borrower further agrees that at all times during the construction of additions or alterations that cost in excess of \$500,000, it will maintain or cause to be maintained in full force and effect builder's risk - completed value form insurance to the full insurable value of such additions or alterations. The Borrower will not permit any mechanics' or materialmen's or other statutory liens to be perfected or remain against the Project for labor or materials furnished in connection with any additions or alterations so made by it, provided that it will not constitute an Event of Default on such Lien's being filed if the Borrower promptly notifies the Trustee of any such Liens and the Borrower good faith promptly contests such Liens; in such event, the Borrower may permit the items so contested to remain undischarged and unsatisfied during the period of such contest and any appeal therefrom provided the Borrower furnishes the Trustee with a bond or cash deposit equal to at least the amount so contested, which, in the case of cash, will be placed into the Insurance Fund an account with the Trustee for the purposes stated in this subsection, or with an Opinion of Counsel stating that by nonpayment of any such items, the Lien and security interest of the Leasehold Mortgage will not be materially endangered and neither the Project nor any material part thereof will be subject to imminent loss or forfeiture. The proceeds of the bond or cash deposit may be used by the Trustee to satisfy the Lien if action is taken to enforce the Lien and such action is not stayed. The bond or cash deposit will be returned to the Borrower if the Lien is successfully contested. If the Borrower is unable or otherwise fails to obtain such a bond or provide such a cash deposit or such an Opinion of Counsel, the Borrower will promptly cause to be satisfied and discharged all such items by payment thereof. If the Borrower is unable or otherwise fails to obtain such a bond or provide such a cash deposit or such an Opinion of Counsel, or to satisfy and discharge the Lien, the Authority or the Trustee may, but is under no obligation to, satisfy and discharge the Lien by payment thereof or provide security that will cause the claimant to release the Lien against the Project, and all amounts so paid by the Authority or the Trustee will be treated as an advance to the Borrower repayable in accordance with Section 8.08.

(d) The Borrower will not do or permit others under its control to do any work in or about the Project or related to any repair, rebuilding, restoration, replacement, alteration of, or addition to the Project, or any part thereof, unless the Borrower first procures and pays for all requisite municipal and other governmental permits and authorizations. All such work will be done in a good and workmanlike manner and in compliance with all applicable building, zoning, and other laws, ordinances, governmental regulations, and requirements and in accordance with the requirements, rules, and regulations of all insurers under the policies required to be carried under the provisions of this Article.

Section 8.02 Removal of Equipment

(a) If no Event of Default has occurred and is continuing, in any instance where the Borrower in its discretion reasonably determines that any items of Equipment or any portion thereof have become inadequate, obsolete, worn out, unsuitable, undesirable, or unnecessary, the Borrower may remove such items of Equipment or portion thereof from the Property and sell, trade-in, exchange, or otherwise dispose of them (as a whole or in part) without any responsibility or accountability to the Authority or the Trustee therefor, provided that the Borrower either:

(1) substitutes and installs anywhere in the Building or on the Property items of replacement equipment or related property having equal or greater value or utility (but not necessarily having the same function) in the operation of the Project for the purpose for which it is intended, provided such removal and substitution will not impair the nature of the Project, all of which replacement equipment or related property will be free of all Liens (other than Permitted Encumbrances), will become subject to the Lien and security interest of the Leasehold Mortgage and will be held by the Borrower on the same terms and conditions as the items originally constituting Equipment, or

(2) does not make any such substitution and installation, unless in the case of: (i) the sale of any such Equipment, (ii) the trade-in of such Equipment for other machinery, furnishings, equipment, or related property not to become part of the Equipment or to become subject to the Lien and security interest of the Leasehold Mortgage, or (iii) any other disposition thereof, the Borrower pays to the Trustee the proceeds of such sale or disposition or an amount equal to the credit received on such trade-in for deposit into the Redemption Fund. In the case of the sale, trade-in, or other disposition of any such Equipment to an Affiliate of the Borrower, the Borrower will pay to the Trustee an amount equal to the greater of the amounts and credits received therefor or the fair market value thereof at the time of such sale, trade-in, or other disposition for deposit into the Redemption Fund.

(b) In the event that prior to such removal and disposition of items of Equipment from the Building and the Property, the Borrower has acquired and installed machinery, furnishings, equipment, or related property with its own funds that become part of the Equipment and subject to the Lien and security interest of the Leasehold Mortgage and that have equal or greater utility (but not necessarily the same function) as the Equipment to be removed, the Borrower may take credit to the extent of the amount so spent by it against the requirement that it either substitute and install other machinery and equipment having equal or greater value (but not necessarily the same function) or that it make payment to the Trustee for deposit into the Redemption Fund.

(c) The Borrower will report promptly to the Trustee each such removal, substitution, sale, or other disposition and will pay to the Trustee such amounts as are required by this Section to be deposited into the Redemption Fund promptly after the sale, trade-in, or other disposition requiring such payment; provided, that no such report and payment need be made until the amount to be deposited into the Redemption Fund on account of all such sales, trade-ins, or other dispositions not previously reported equals, in the aggregate, at least \$50,000 in any Annual Period. All amounts deposited into the Redemption Fund under this Section as a result of the sale, trade-in, exchange, or other disposition of Equipment will be applied to the redemption of all or a portion of the Bonds issued to finance or refinance the acquisition of such Equipment or, if such Bonds are no longer Outstanding, the redemption of such other Bonds as may be directed by the Borrower in accordance with the provisions of the Indenture. The Borrower will not remove, or permit the removal of, any of the Equipment from the Building or the Property except in accordance with the provisions of this Section.

Section 8.03 Taxes, Other Governmental Charges, and Utility Charges

(a) The Borrower will pay, as the same become due, (i) all taxes and governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the Project that, if not paid, will become a Lien on the Project prior to or on a parity with the Lien of the Leasehold Mortgage or a charge on the Trust Estate prior to or on a parity with the charge and security interest thereon and the pledge or assignment thereof created and made in the Indenture and including all ad valorem taxes or payments in lieu of such taxes lawfully assessed on the Project, (ii) all utility and other charges incurred in the ownership, operation, maintenance, use, occupancy, and upkeep of the Project and (iii) all assessments and charges lawfully made by any governmental body for public improvements that may be secured by a Lien on the Project; provided, that with respect to special assessments or other governmental charges that may lawfully be paid in installments over a period of years, the Borrower will be obligated to pay only such installments as are required to be paid during the Agreement Term.

(b) If the Borrower first notifies the Trustee in writing of its intention so to do, the Borrower may, at its own expense and in good faith, contest any such taxes, assessments, or other charges and, in the event of any such contest, may permit the taxes, assessments, or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom, provided the Borrower furnishes the Trustee with a bond or a cash deposit equal to at least the amount so contested plus any interest or penalties that might be payable as a result of any late payment, which, in the case of cash, will be placed into an account with the Trustee and held for the purposes stated in this subsection, or an Opinion of Counsel stating that by nonpayment of any such items, the Lien and security interest of the Leasehold Mortgage will not be materially endangered and neither the Project nor any material part thereof will be subject to imminent loss or forfeiture. The proceeds of such bond or cash deposit may be used by the Trustee to satisfy the Lien if action is taken to enforce the Lien and such action is not stayed. Such bond or cash deposit will be returned to the Borrower if the taxes, assessments, or other charges is successfully contested. If the Borrower is unable or otherwise fails to obtain such a bond or provide such a cash deposit or such Opinion of Counsel, such taxes, assessments, or charges will be promptly satisfied and discharged by payment thereof.

Section 8.04 Insurance Required

In addition to the insurance required by this Lease Agreement, the Borrower will keep the Project or cause the same to be kept continuously insured against such risks as are customarily insured against with respect to facilities of like size and type, as recommended by an Insurance Consultant, including, but not limited to:

(1) commencing on the date on which the Borrower begins leasing the Project to proposed occupants thereof, insurance on the repair or replacement basis in an amount of not less than 100% of the then actual cost of replacement (excluding costs of replacing excavations and foundations, but without deduction for depreciation) of the Project (with deductible provisions not to exceed \$100,000 per occurrence) against loss or damage by fire, lightning, windstorm, hail, explosion, riot, riot attending a strike, civil commotion, aircraft, vehicles, and smoke and such other risks as are now or hereafter included in the uniform standard extended coverage endorsement in common use for similar structures (including vandalism and malicious mischief) with standard policy sub-limits. Named windstorm and hail coverage shall be subject to the lowest commercially available deductible provisions, but in any case, with deductibles not to exceed 5% of total insured values;

(2) commencing on the date on which the Borrower begins leasing the Project to proposed occupants thereof, business interruption insurance (also referred to as "business income" or "loss of rents" insurance) covering loss of revenues and other income by the Borrower by reason of total or partial suspension of, or interruption in, the operation of the Project caused by covered damage to or destruction of the Project in an amount not less than the Maximum Annual Debt Service on the Bonds plus 12 months' budgeted operating expenses minus those operating expenses avoided as a result of and during the period of interruption and in the event a waiting period applies to the business income/loss of rents coverage, it shall not exceed 30 days per occurrence;

(3) comprehensive general liability insurance providing insurance (with deductible provisions not to exceed \$25,000 per occurrence) covering all claims for bodily injury and property damage, including not less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate, to include personal and advertising injury, general aggregate, products and completed operations aggregate insurance beginning at the completion of each Project component, and contractual liability to cover all insurable obligations in the Ground Lease;

(4) commencing on the date any vehicle is acquired or hired by the Borrower for use with respect to the Project, automobile liability insurance providing insurance (with deductible provisions not to exceed \$25,000 per occurrence) to the extent of not less than a combined single limit of \$1,000,000 per accident covering liability arising out of the use of any Borrower vehicle or such vehicles used in conjunction with the Project, whether owned, non-owned, or hired, and including personal injury protection and uninsured motorist protection in the minimum statutory limits where required by law;

(5) at all times, insurance under the National Flood Insurance Program within the minimum requirements and amounts required for federally financed or assisted Leases under the Flood Disaster Protection Act of 1973, as amended, if the Project is eligible under such program;

(6) as required by the laws of the State of Alabama, including, with respect to workers' compensation insurance, Coverage B-Employer's liability limits of: bodily injury by accident - \$500,000 each accident; and bodily injury by disease - \$500,000 each employee (and, in this regard, the Borrower will require all subcontractors performing work on the Project to provide an insurance certificate showing proof of workers' compensation insurance);

(7) to the extent that the Project contains a steam boiler, pressure vessels, or pressure piping, and commencing on the date on which the same are installed in the Project, boiler explosion insurance on steam boilers, if any, pressure vessels, and pressure piping in an amount not less than 100% of the then actual cost of replacement (excluding costs of replacing excavations and foundations, but without deduction for depreciation) of the Project (with deductible provisions not to exceed \$100,000 per occurrence);

(8) commencing on each Completion Date, fidelity bonds or employee dishonesty insurance in the amount of \$100,000 for all officers, agents, and employees of the Borrower with the responsibility of handling Pledged Revenues; and

(9) additional umbrella or excess liability coverage in the amount of \$10,000,000 in the aggregate, which will include all coverages required by (3), (4), and (6).

Section 8.05 Application of Net Proceeds of Insurance

(a) The Net Proceeds of the insurance carried under the provisions of Section 8.04(1), (5), and (7) will be paid and applied as provided in Section 9.01.

(b) The Net Proceeds of insurance carried under the provisions of Sections 8.04(3), (4), and (9) will be applied to discharge the liability with respect to which such insurance proceeds shall have been paid.

(c) The Net Proceeds of the insurance carried under the provisions of Section 8.04(2), up to an amount equal to the Debt Service Reserve Requirement for each series of Bonds Outstanding for the succeeding 12-month period, will be deposited into the Bond Fund and used as provided therefor in the Indenture and the balance will be deposited into the Revenue Fund.

Section 8.06 Review by Insurance Consultant

At all times during the Agreement Term, an Insurance Consultant will be designated by the Borrower. The Borrower will procure from the Insurance Consultant a review of its insurance requirements not less than every three years (commencing in 2027) along with a written recommendation, if necessary, for increasing or decreasing any of the insurance or coverages hereinabove required, and will furnish a copy of such review to the Trustee, and the University. If any such review by the Insurance Consultant contains recommendations for increasing any of such insurance or coverages, the Borrower will promptly increase such insurance or coverages in accordance with such recommendations, and if any such review by the Insurance Consultant contains recommendations for decreasing any of such insurance or coverages, the Borrower may decrease such insurance or coverages in accordance with such recommendations after consultation with the University. In addition, on or before the execution and delivery of this Lease Agreement and, thereafter, on the request of the Trustee, the Borrower will furnish to the Trustee a certificate of the Insurance Consultant to the effect that the insurance procured by the Borrower satisfies in all respects the requirements of Sections 8.04 and 8.07.

Section 8.07 Additional Provisions Respecting Insurance

All insurance required by Section 8.04 will be taken out and maintained in generally recognized responsible insurance companies qualified to do business in the State of Alabama, that may include "captive" insurance companies or governmental insurance pools, and non-admitted insurance carriers and that have a rating of "A-VII" or better by the latest Best Insurance Report. All policies evidencing such insurance will provide for payment to the Authority, the Borrower, the University, and the Trustee as their respective interests may appear, the policies required by Section 8.04(3) and (4) will name the Authority, the University and the Trustee as additional insureds, and the policies required by Section 8.04(1), (5), and (7) will name the Trustee as mortgagor and loss payee under a standard loss payable endorsement providing that no act or omission by the Borrower will in any way prejudice the rights of the Trustee under such policies and will require that all Net Proceeds of insurance if in excess of \$250,000 for loss or damage covered thereby be paid to the Trustee and applied under Section 9.01; provided, however, that prior to the occurrence of an Event of Default, all claims regardless of amount may be adjusted by the Borrower with the insurers, subject to prior written approval of the Trustee as to any settlement of any claim in excess of \$250,000, which approval will not be unreasonably withheld. A certificate or certificates of the insurers that such insurance is in force and effect will be deposited with the Trustee and prior to the expiration of any such policy the Borrower will furnish the Trustee with a certificate or certificates that the policy has been renewed or replaced or is no longer required by this Lease Agreement. In lieu of separate policies, the Borrower may maintain one or more blanket policies of insurance having the coverage required by Section 8.04. All such policies will provide that such insurance may not be canceled by the insurance carrier before the Bonds have been paid in full without at least 30 days' written notice (10 days for non-payment of premium). The Borrower will promptly forward any notice of cancellation received from an insurance carrier to the Authority and the Trustee.

Section 8.08 Advances by the Authority or the Trustee

If the Borrower fails to make any payment or perform any act required of it under this Lease Agreement, the Authority or the Trustee may (but are under no obligation to), after notifying the Borrower of its intention to do so and at the expiration of any applicable cure period, make such payment or perform such act. The Borrower agrees to pay all amounts so paid by the Authority or the Trustee as an additional obligation hereunder, together with interest thereon from the date of payment by the Authority or the Trustee, as applicable, at the Default Rate, upon written demand and appropriate verification, payment of which will be secured by the Leasehold Mortgage. Any remedy herein vested in the Authority or the Trustee for the collection of the Lease Payments will also be available to the Authority and the Trustee for the collection of all such amounts so advanced. The Trustee is under no obligation to make any such payment unless it is requested to do so by the Majority of the Owners and is provided with adequate funds paid in cash to the Trustee (from a source or sources approved by the Trustee) for the purpose of such payment.

ARTICLE 9

DESTRUCTION, DAMAGE, AND CONDEMNATION

Section 9.01 Destruction and Damage

(a) In the event that the Project is destroyed or damaged (in whole or in part) by fire or other casualty, the Borrower will promptly notify the Authority and the Trustee in writing, and, unless the Bonds are paid in full from the Net Proceeds of insurance resulting from such destruction or damage, the Borrower covenants and agrees to continue to make the Lease Payments without postponement, abatement, or diminution thereof.

(b) If such Net Proceeds of insurance are less than \$250,000 (which amount will be increased as of each July 1 by a percentage equal to the increase made for then then immediately preceding year, if any, in the Consumer Price Index for the City of Homewood, Alabama (the "CPI Adjustment") as provided in writing by the Borrower to the Trustee), all such insurance proceeds will be paid to the Borrower, and the Borrower will repair, replace, rebuild, restore, and re-equip the Project promptly to substantially the same condition thereof as existed prior to the event causing such destruction or damage with such changes, alterations, and modifications (including the substitution and addition of other property) as may be desired by the Borrower and as will not impair the value or the function of the Project. In the event the Net Proceeds are not sufficient to pay in full the costs of any such repair, replacement, rebuilding, restoration, and/or re-equipping, the Borrower will nonetheless complete said work and will pay that portion of the costs thereof in excess of the amount of said Net Proceeds.

(c) If such Net Proceeds of insurance are in excess of \$250,000 (plus the applicable CPI Adjustment, if any), all such insurance proceeds will be paid to the Trustee and deposited and held in the Insurance Fund to be applied, as fully as practicable, in one or more of the following ways as will be directed in writing by the Borrower within 60 days from the date of such deposit:

(1) subject to the requirements of Section 9.03, such Net Proceeds may be applied to the restoration of the Project; or

(2) subject to the requirements of Section 9.03, such Net Proceeds may be applied to the acquisition of other suitable land and the acquisition, by construction or otherwise, to the extent permitted by Applicable Law, of improvements consisting of a building or buildings, facilities, furnishings, machinery, equipment, or other properties suitable for the Borrower's operations at the Project as conducted prior to such destruction or damage (which improvements will be deemed a part of the Project and available for use and occupancy by the Borrower without the payment of any Lease Payments other than as herein provided to the same extent as if such improvements were specifically described herein and will be acquired by the Borrower subject to no Liens prior to or on a parity with the Lien of the Leasehold Mortgage, other than Permitted Encumbrances); or

(3) such Net Proceeds may be transferred to the Trustee for deposit in the Redemption Fund to be applied to the redemption of Bonds; or

(4) such Net Proceeds may be applied in some combination permitted by the foregoing clauses (1), (2), and (3) of this subsection.

(d) All Net Proceeds deposited into the Redemption Fund under this Section as a result of the destruction of or damage to the Project will be applied to the redemption of all or a portion of the Bonds issued to finance or refinance the acquisition of such portion of the Project or, if such Bonds are no longer Outstanding, the redemption of such other Bonds as may be directed by the Borrower in accordance with the provisions of the Indenture.

(e) Any balance of such Net Proceeds of insurance remaining after application under Section 9.01(b) or (c) hereof or remaining because of the failure of the Authorized Borrower Representative to furnish to the Authority, the Trustee, and the University the items required by Section 9.03, will be transferred to the Redemption Fund and used to redeem Bonds as provided in Section 9.01(d).

Section 9.02 Condemnation.

(a) In the event that title to or the temporary use of the Project or any part thereof is taken under the exercise of the power of eminent domain by any Governmental Authority or by any Person acting under Governmental Authority, the Borrower will promptly notify the Authority and the Trustee in writing and, unless the Bonds are paid in full from the award made in such eminent domain proceedings, is obligated to continue to make the Lease Payments and is not entitled any postponement, abatement, or diminution thereof.

(b) Except for Net Proceeds received by the Borrower under Section 9.04, the Authority, the Borrower, and the Trustee will cause the Net Proceeds received by them or any of them from any award made in such eminent domain proceedings to be paid to the Trustee and deposited and held in the Condemnation Fund to be applied, as fully as practicable, in one or more of the following ways as will be directed in writing by the Borrower within 60 days from the date of such deposit:

(1) subject to the requirements of Section 9.03, such Net Proceeds may be applied to the restoration of the Project; or

(2) subject to the requirements of Section 9.03, such Net Proceeds may be applied to the acquisition of other suitable land and the acquisition, by construction or otherwise, to the extent permitted by Applicable Law, of improvements consisting of a building or buildings, facilities, furnishings, machinery, equipment, or other properties suitable for the Borrower's operations at the Project as conducted prior to such taking (which improvements will be deemed a part of the Project and available for use and occupancy by the Borrower without the payment of any Lease Payments other than as herein provided to the same extent as if such improvements were specifically described herein and will be acquired by the Borrower subject to no Liens prior to or on a parity with the Lien and security interest of the Leasehold Mortgage, other than Permitted Encumbrances); or

(3) such Net Proceeds may be transferred to the Trustee for deposit in the Redemption Fund to be applied to the redemption of Bonds; or

(4) such Net Proceeds may be applied in some combination permitted by the foregoing clauses (1), (2), and (3) of this subsection.

(c) All Net Proceeds deposited into the Redemption Fund under this Section as a result of the condemnation of a portion of the Project will be applied to the redemption of all or a portion of the Bonds issued to finance or refinance the acquisition of such portion of the Project or, if such Bonds are no longer Outstanding, the redemption of such other Bonds as may be directed by the Borrower in accordance with the provisions of the Indenture.

(d) Any balance of such Net Proceeds remaining after application under Section 9.02(b) or remaining because of the failure of the Authorized Borrower Representative to furnish to the Authority and the Trustee the items required by Section 9.03 will be transferred to the Redemption Fund and used to redeem Bonds as provided in Section 9.02(c).

Section 9.03 Conditions Precedent to Repair, Restoration, or Replacement of the Project; Other Requirements

(a) Before the Trustee may apply any Net Proceeds under Section 9.01(c)(i), (ii), or (iv) or Section 9.02(b)(i), (ii), or (iv) to pay the costs of repairing, restoring, or replacing the Project, the Borrower must furnish, or cause the University to furnish, to the Authority and the Trustee (i) a construction contract and any architect's agreement relating to such repair, restoration, or replacement (the "Restoration Plans and Specifications"), (iii) a certificate of an Independent Engineer that states that such repair, restoration, or replacement, if completed in accordance with the Restoration Plans and Specifications, will (A) restore the Project to substantially the condition thereof immediately preceding the damage, destruction, or condemnation and (B) comply with all applicable statutes, codes and regulations; (iv) a certificate of an Authorized Borrower Representative stating that sufficient money is available to (A) pay for such repair, restoration, or replacement and, (B) together with available business interruption insurance proceeds and other available Pledged Revenues, pay Debt Service on the Bonds and the Expenses during the period of repair, restoration, or replacement; (v) applicable Lien waivers or conditional Lien waivers; (vi) evidence of the existence of performance and payment bonds for the applicable general contractor; and (vii) evidence that the Borrower has acquired all permits and licenses necessary for such construction; and, if such net proceeds are in excess of \$250,000 (plus the applicable CPI Adjustment, if any), in addition to those requirements listed in (i) through (vii) above, the Borrower will also deliver to the Trustee: (viii) an endorsement to the applicable title insurance policy insuring the continued priority of the Lien of the Leasehold Mortgage and (ix) an opinion of Bond Counsel to the effect that neither such repair, replacement, nor restoration nor such use of such casualty or condemnation proceeds will adversely affect the excludability from gross income for federal income tax purposes of interest on the Tax-Exempt Bonds.

(b) The Trustee will retain 10% of the requested disbursements to be disbursed on final completion of the repair, replacement, or restoration as certified by an Independent Engineer and receipt of certificates of occupancy, waivers of Liens and, if such Net Proceeds are in excess of \$250,000 (plus the applicable CPI Adjustment, if any), an endorsement to the title insurance policy or policies insuring the continued priority of the Leasehold Mortgage. If at any time during the period of repair, restoration, or replacement, the insurance or casualty proceeds are less than the estimated remaining costs to restore, repair, or replace the Project, the Borrower will provide the Trustee with cash or cash equivalents in an amount equal to the shortfall.

Section 9.04 Condemnation of Property Not Included in Project

The Borrower is entitled to the Net Proceeds of any condemnation award or portion thereof made for damages to or for taking of its property not included in the Project and not subject to the Lien of the Leasehold Mortgage.

ARTICLE 10

Covenants of Authority and Borrower

Section 10.01 No Warranty of Condition or Suitability by the Authority

THE AUTHORITY MAKES NO WARRANTY, EITHER EXPRESS OR IMPLIED, AS TO THE HABITABILITY, MERCHANTABILITY, CONDITION, OR WORKMANSHIP OF ANY PART OF THE PROJECT OR THAT IT WILL BE SUITABLE FOR THE BORROWER'S PURPOSES OR NEEDS.

Section 10.02 Access to Project and Records

The Authority, the Trustee, and their duly authorized representatives and agents, reserve the right, on reasonable prior notice, to enter the Project at all reasonable times during the Agreement Term for the purpose of (a) examining and inspecting the Project, including any reconstruction thereof, and/or the books and records of the Borrower with respect to the Project, (b) performing such work in and about the Project made necessary by reason of the occurrence of an Event of Default, and (c) on the occurrence of an Event of Default, exhibiting the Project to prospective purchasers, Borrowers, or mortgagees. The Authority and the Trustee also have the right at all reasonable times to examine the books and records of the Borrower and make copies thereof insofar as such books and records relate to the repair and maintenance of the Project or insofar as necessary to ascertain compliance with this Lease Agreement subject to, with respect to information concerning students of the University, any applicable privacy or other laws restricting dissemination of such information.

Section 10.03 Borrower and Collegiate Housing Foundation to Maintain Status; Conditions Under Which Exceptions Permitted

(a) The Borrower (i) will maintain its legal existence as a single member limited liability company organized under the laws of the State of Alabama whose sole member is a Tax-Exempt Organization, (ii) will cause Collegiate Housing Foundation to maintain its legal existence as a Tax-Exempt Organization and a non-profit corporation organized under the laws of the State of Alabama (iii) will not, except as permitted by this Section, consolidate with or merge into another entity or permit another entity to consolidate with or merge into it, (iv) will not dissolve or otherwise dispose of all or substantially all of its assets, (v) will cause Collegiate Housing Foundation to file all required reports and documents with the IRS so as to maintain its status as a Tax-Exempt Organization, (vi) will not operate the Project in any manner nor engage in any activities or take any action that might reasonably be expected to result in Collegiate Housing Foundation's ceasing to be a Tax-Exempt Organization, and (vii) will promptly notify the Authority and the Trustee in writing of any loss of Collegiate Housing Foundation's status as a Tax-Exempt Organization or of any investigation, proceeding, or ruling that might result in such loss of status. The Borrower will preserve and keep in full force and effect all licenses and permits necessary to the proper conduct of its business.

(b) The Borrower covenants that none of its or Collegiate Housing Foundation's revenues, income, or profits, whether realized or unrealized, will be distributed to any of its or Collegiate Housing Foundation's directors or inure to the benefit of any private Person, other than for the lawful corporate purposes of the Borrower or Collegiate Housing Foundation; provided, however, that the Borrower and Collegiate Housing Foundation may pay to any Person the value of any service or product performed for, or supplied to, the Borrower or Collegiate Housing Foundation by such Person. The Borrower further covenants that it and Collegiate Housing Foundation will take such actions as are necessary or appropriate and within their respective control to take to comply with the provisions of the Federal Tax Code and the Regulations to preserve the exclusion of the interest paid on the Tax-Exempt Bonds from the gross income of the Owners thereof for federal income tax purposes and will not act or fail to act in any other manner that would adversely affect such exclusion. In connection with the foregoing, the Borrower acknowledges and agrees to comply with the provisions of the Tax Agreement.

(c) The Borrower may, without violating the covenants contained in this Section, consolidate, merge, sell, or otherwise transfer to another Person all or substantially all of its assets as an entirety (and thereafter dissolve), provided (i) such consolidation, merger, sale, or other transfer will not otherwise cause an Event of Default and (ii) the surviving, resulting, or transferee Person (A) will be authorized to do business in the State of Alabama, (B) will be a domestic corporation, partnership, limited liability company or other entity, or, if a natural Person, a resident of the United States of America, (C) will have the power to assume and will assume in writing all of the obligations of the Borrower under this Lease Agreement and the other Borrower Documents and will deliver to the Trustee any security agreement necessary to ensure that after such consolidation, merger, sale, or other transfer, the Trustee will have a security interest in all assets that constitute, or would have constituted, Collateral (as defined in the Leasehold Mortgage) prior to such consolidation, merger, sale, or transfer, together with an Opinion of Counsel that all action has been taken to perfect such security interest to the extent perfection can be made by the filing of financing statements, (D) will obtain all licenses and permits required by law to operate the Project, (E) will deliver to the Trustee a title insurance policy or endorsement insuring that the surviving, resulting, or transferee Person has a valid leasehold interest in the Property and insuring the Leasehold Mortgage as a first Lien subject only to the Permitted Encumbrances, (F) will deliver to the Trustee and an Opinion of Counsel to the effect that this Lease Agreement and the other Borrower Documents, as assumed by the surviving, resulting, or transferee Person, are valid and enforceable obligations of such Person, subject only to exceptions related to bankruptcy and other customary exceptions, (G) will deliver a Favorable Opinion of Bond Counsel, (H) will have a fund balance or net worth, as the case may be, as reflected in the *pro forma* financial statements required to be furnished under this Section, not less than the fund balance or net worth, as the case may be, of the Borrower, as reflected in the most recent audited balance sheet of the Borrower furnished to the Trustee under this Lease Agreement, and (I) will have a Fixed Charges Coverage Ratio not less than that of the Borrower for the two consecutive years prior to such consolidation, merger, sale, or transfer, as determined from the surviving, resultant, or transferee Person's financial statements on a *pro forma* basis that gives effect to such consolidation, merger, sale, or transfer, which *pro forma* basis financial statements will be accompanied by a report of the Accountant with respect to such historical *pro forma* basis financial statements stating the Fixed Charges Coverage Ratio for the periods reported on.

(d) The Borrower may also, without violating any covenants contained in this Lease Agreement, sell, or otherwise transfer the Project to another Person that is controlled solely by the Borrower or Collegiate Housing Foundation and that, prior to such sale or transfer, has no assets or liabilities, on completion or satisfaction of the conditions set forth in items (i) and (ii)(A) through (G) of the preceding subsection and on such completion or satisfaction will be released from all liabilities and obligations under this Lease Agreement and the other Borrower Documents.

(e) The Borrower warrants that it is and while this Lease Agreement is in effect it (or the surviving, resulting, or transferee entity permitted by this Section) will continue to be authorized to do business in the State of Alabama.

Section 10.04 Indemnity

(a) The Borrower hereby fully and forever and irrevocably releases and, to the fullest extent permitted by law and to the extent of its interest in the Project or from the proceeds of available insurance, agrees to indemnify, hold harmless and defend the Authority and each Authority Indemnified Person, and the other Indemnified Persons against any and all fees, costs and charges, losses, damages, claims, actions, liabilities, and expenses of any conceivable nature, kind, or character (including, without limitation, fees and expenses of attorneys, accountants, consultants and other experts, litigation and court costs, amounts paid in settlement and amounts paid to discharge judgments) to which the Indemnified Persons, or any of them, may become subject under or any statutory law or regulation (including federal or state securities laws and regulations and federal tax laws or regulations) or at common law or otherwise (collectively, "Indemnified Liabilities"), arising out of or based on or in any way relating to:

(1) any of the Bond Documents or the execution or amendment hereof or thereof or in connection with transactions contemplated hereby or thereby, including the issuance, sale, or resale of the Bonds;

(2) the performance or observance by or on behalf of the Authority of those things on the part of the Authority agreed to be performed or observed hereunder and under the documents identified in Paragraph (1) above;

(3) any act or omission of the Borrower or any of its affiliates or affiliated Persons, agents, contractors, servants, employees, tenants, or licensees in connection with the Project; the operation of the Project; or the condition, environmental or otherwise, occupancy, use, possession, conduct, or management of work done in or about, or from the planning, design, acquisition, construction, installation, furnishing, or equipping, of the Project or any part thereof;

(4) any Lien or charge on payments by the Borrower to the Authority or the Trustee hereunder, or any taxes (including, without limitation, all ad valorem taxes and sales taxes), assessments, impositions, and other charges imposed on the Authority or the Trustee in respect of any portion of the Project;

(5) the defeasance or redemption, in whole or in part, of the Bonds;

(6) any untrue statement or misleading statement or alleged untrue statement or alleged misleading statement of a material fact contained in any offering or disclosure document or disclosure or continuing disclosure document for the Bonds or any of the documents relating to the Bonds, or any omission or alleged omission from any offering or disclosure document or disclosure or continuing disclosure document for the Bonds of any material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading; provided, however, this Subparagraph (vii) will not apply with respect to any information contained in any such materials that are solely and exclusively provided by the Authority;

(7) any declaration of taxability of interest on any Tax-Exempt Bonds, or allegations that interest on any Tax-Exempt Bonds is Taxable or any regulatory audit or inquiry regarding whether interest on any Tax-Exempt Bonds is Taxable;

(8) the Trustee's acceptance or administration of the trust of the Indenture, or the exercise or performance of any of its powers or duties thereunder or under any of the documents relating to the Bonds to which it is a party; and

(9) any injury to or death of any Person or damage to property in or on the Project or growing out of or connected with the use, nonuse, condition, or occupancy of the Project, except, (A) in the case of the foregoing indemnification of the Trustee Indemnified Persons, to the extent such Indemnified Liabilities are caused by the negligence or willful misconduct of such Trustee Indemnified Person or, (B) in the case of the foregoing indemnification of the Authority and the Authority Indemnified Persons, to the extent such Indemnified Liabilities are caused by the willful misconduct of the Person otherwise seeking indemnification.

(b) THE BORROWER EXPRESSLY ACKNOWLEDGES AND AGREES THAT THE AUTHORITY AND THE AUTHORITY INDEMNIFIED PERSONS SHALL BE RELEASED FROM, AND INDEMNIFIED HEREUNDER AGAINST, INDEMNIFIED LIABILITIES ARISING FROM THE AUTHORITY'S OR ANY AUTHORITY INDEMNIFIED PERSON'S OWN NEGLIGENCE OF ANY KIND, DESCRIPTION OR DEGREE, OR BREACH OF CONTRACTUAL DUTY, WITHOUT REGARD TO THE NECESSITY OF ANY BREACH OR FAULT ON THE PART OF BORROWER, EXCEPT INSO FAR AS AND TO THE EXTENT THAT ANY SUCH INDEMNIFIED LIABILITIES ARISE FROM THE WILLFUL MISCONDUCT OF THE PERSON SEEKING INDEMNIFICATION.

(c) In the event that any action or proceeding is brought against any Indemnified Person with respect to which indemnity may be sought hereunder, the Borrower, upon written notice from the Indemnified Person, shall assume the investigation and defense thereof, including the employment of counsel selected by the Indemnified Person, and shall assume the payment of all expenses related thereto, with full power to litigate, compromise, or settle the same in its sole discretion; provided that the Indemnified Person has the right to review and approve or disapprove any such compromise or settlement. Each Indemnified Person has the right to employ separate counsel in any such action or proceeding and participate in the investigation and defense thereof, and the Borrower shall pay the fees and expenses of such separate counsel; provided, however, that such Indemnified Person may only employ separate counsel at the expense of the Borrower if, in the reasonable judgment of such Indemnified Person, a conflict of interest exists by reason of common representation or if all parties commonly represented do not agree as to the action (or inaction) of counsel.

(d) The Borrower covenants and agrees the interests and rights of any Indemnified Person to indemnity hereunder and to payment of fees and reimbursement of expenses will survive the discharge and termination of the Bonds and the Bond Documents and, in the case of the Trustee, any resignation or removal and shall be and remain in full force and effect, and legally binding upon the Borrower, from and after the termination of this Lease Agreement until an action based thereupon shall be prohibited by law.

(e) Insofar as any document or instrument issued or delivered in connection with the Bonds (including, without limitation, the documents referred to in Paragraph 10.04(a)(1), above) purports to constitute an undertaking by or impose an obligation upon the Borrower to provide indemnification to the Authority or the Authority Indemnified Persons, the indemnification provision or provisions of such document shall not be deemed, interpreted or construed in any way as a modification of or limitation upon the Borrower's obligations or the rights of the Authority and the Authority Indemnified Persons under this Section and the provisions of this Section shall in every respect supersede the indemnification provisions of any such other document and shall apply thereto as if fully set forth therein.

Section 10.05 Covenant Regarding Financial Statements

(a) The Borrower will provide the Trustee, the Dissemination Agent and the University annually, within 180 days after the end of each Annual Period, beginning with the Annual Period ended June 30, 2026, the financial statements of the Borrower, including its balance sheet, statement of revenue, expenses, and changes in fund balance (deficit), and statement of cash flow, for the year then ended in comparative form for the preceding Annual Period, which financial statements will be prepared in accordance with GAAP and accompanied by an Audit Report.

(b) The financial statements to be furnished to the Trustee, the Dissemination Agent and the University, annually under this Section will be accompanied by a calculation (with supporting details) of (i) the Fixed Charges Coverage Ratio and (ii) the amount of the Operating Account Surplus, if any, and by a certificate of the Borrower to the effect that no Event of Default on the part of the Borrower under any provision of this Lease Agreement has occurred and is continuing and that the Borrower has fully complied with all of the provisions of this Lease Agreement in all material respects, or if an Event of Default on the part of the Borrower under any provision of this Lease Agreement has occurred and is continuing or the Borrower has failed to comply with all of the provisions of this Lease Agreement, setting forth the nature of each thereof as applicable. The calculation of the Fixed Charges Coverage Ratio shall indicate the amount of Capitalized Interest, if any, included in the Revenue Available for Fixed Charges that was necessary for the Fixed Charge Coverage Ratio to be at least 1.20 to 1.00.

Section 10.06 Rate Covenant

(a) The Borrower covenants and agrees to operate the Project as revenue producing facilities along with related facilities, and to the extent permitted by Applicable Law and the Affiliation Agreement, to charge such fees and rates for its facilities and services and to exercise such skill and diligence as will provide Revenue Available for Fixed Charges, together with other available funds, in amounts sufficient:

(1) to pay in full when due all Expenses; and

(2) to pay in full when due all Lease Payments; and

(3) to produce a Fixed Charges Coverage Ratio of not less than 1.20 for the Annual Period ending June 30, 2026 and for each Annual Period thereafter.

(b) In the event that it is determined, based on the financial statements and calculation of the Borrower required by Section 10.05, that for any Annual Period the Fixed Charges Coverage Ratio has not been maintained, the Borrower will, within 30 days of receipt of such financial statements, engage a Financial Consultant to submit to the Borrower, the University and the Trustee a report of such firm containing recommendations, if any, as to changes in the operating policies of the Borrower designed to maintain such Fixed Charges Coverage Ratio, will cause such Financial Consultant to prepare and submit such recommendations within 60 days of the date of its engagement and will promptly implement such recommendations to the extent permitted by Applicable Law and the Affiliation Agreement. So long as (i) the Fixed Charges Coverage Ratio does not fall below 1.00, and (ii) the Financial Consultant's recommendations are followed, no Event of Default will occur, provided, the Borrower is obligated to employ the Financial Consultant for such purpose until such rates, fees, and charges produce a Fixed Charges Coverage Ratio of at least 1.20 during the then current Annual Period.

(c) The Borrower will, from time to time as often as necessary, to the extent permitted by Applicable Law and the Affiliation Agreement, revise the rates, fees, and charges aforesaid in such manner as may be necessary or proper so that the Revenue Available for Fixed Charges will be sufficient to meet the requirements of this Lease Agreement, and will take all action within its power to obtain approvals of any regulatory or supervisory authority to implement any rates, fees, and charges required by this Lease Agreement.

Section 10.07 Annual Budget

(a) The Borrower will prepare the Annual Budget in accordance with the Affiliation Agreement. Each Annual Budget will be prepared in advance of the start of the applicable Annual Period and will include all monthly budgeted Expenses of the Project for such Annual Period. For the purposes of preparing each Annual Budget under this Section Expenses will include any Subordinated Expenses expected to be incurred in such Annual Period, including all Subordinated Expenses as are necessary to ensure that the Fixed Charges Coverage Ratio for the Annual Period to which such Annual Budget relates will not be less than 1.20. If the Borrower fails to prepare the Annual Budget for any Annual Period, the Annual Budget for the immediately preceding Annual Period will continue in effect until the Annual Budget is prepared for the remainder of the applicable Annual Period, provided that Expenses shall be treated as Subordinated Expenses to the extent necessary to ensure that the Fixed Charges Coverage Ratio for the Annual Period to which such Annual Budget relates will not be less than 1.20. The Annual Budget may take into account any Operating Account Surplus anticipated to be held in the Operating Account at the end of the Annual Period immediately preceding the Annual Period for which the Annual Budget is being prepared.

(b) To the extent that the Borrower deems it necessary at any time during any Annual Period, the Borrower may submit a revised Annual Budget to the Authority, the Trustee, and the University declaring that the revisions are necessary to operate or maintain the Project and setting forth the reasons therefor which revised Annual Budget will, for all purposes of this Lease Agreement, be deemed the Annual Budget for the remainder of the applicable Annual Period.

(c) A copy of each Annual Budget or revised Annual Budget will be furnished to the Trustee and the University. The Annual Budget or revised Annual Budget will be accompanied by a certificate of the Borrower or the Manager to the effect that the Fixed Charges Coverage Ratio for the Annual Period to which such Annual Budget relates, based on the projected Revenues and Expenses set forth therein, and as determined under this Section will not be less than 1.20.

(d) In the event the Borrower fails to provide the certificate required by subsection (c) of this Section, a Financial Consultant will be engaged by the Borrower to review and/or revise the Annual Budget and to so certify to the Trustee and the University and, to the extent such Financial Consultant revises the proposed Annual Budget, such revised Annual Budget will, for all purposes of this Lease Agreement and the other Bond Documents, be deemed the Annual Budget for the remainder of the applicable Annual Period.

Section 10.08 Continuing Disclosure Agreement

The Borrower will at all times remain party to the Continuing Disclosure Agreement, or if the Continuing Disclosure Agreement terminates, it will enter into a similar agreement to provide for the dissemination of the financial statements and notices required by Rule 15c2-12 under the Securities Exchange Act of 1934, as amended. The Borrower will perform its obligations under the Continuing Disclosure Agreement; provided, however, that the failure to perform such obligations will not constitute an Event of Default.

Section 10.09 Operation of Project and Safety Code

The Borrower will operate the Project for the purposes for which it is designed and will continue to maintain the Project in compliance with all applicable life and safety codes and all applicable building and zoning, health, environmental, and safety ordinances and laws and the Applicable Law of each Governmental Authority of competent jurisdiction.

Section 10.10 Related Party Transactions

The Borrower will not enter into any transaction relating to the Project, including, without limitation, the purchase, sale, lease, or exchange of property or the rendering of any service, with any Affiliate of the Borrower except in the ordinary course of business and under the reasonable requirements of the Borrower's business and on terms found by the Board of Directors of Collegiate Housing Foundation to be fair and reasonable and no less favorable to the Borrower than would be obtained in a comparable arm's length transaction with a Person not an Affiliate of the Borrower provided, however, the foregoing will not apply to any transaction undertaken by the Borrower in support of the University.

Section 10.11 Covenant Regarding Manager

The Borrower agrees that if the University ceases to serve as Manager, the Borrower will promptly employ, and at all times thereafter, employ, as the Manager a recognized manager acceptable to the University that then manages, and will have for the past five years managed, at least three thousand (3,000) beds of student housing. Prior to entering into a contract with any successor Manager, the Borrower will first deliver to the Trustee a Favorable Opinion of Bond Counsel.

Section 10.12 Calculation and Payment of Rebate Amount

(a) The Borrower will (i) calculate the Rebate Amount as of each Calculation Date, (ii) transmit a copy of such calculation to the Trustee, and (iii) pay to the Trustee for deposit to the Rebate Fund or direct the Trustee to transfer from the Funds and in the order of priority set forth in Section 6.10 of the Indenture an amount equal to the difference, if any, between the amount then in the Rebate Fund and the Rebate Amount so calculated. If, as of any Calculation Date, the amount in the Rebate Fund will exceed the Rebate Amount, the Borrower may direct the Trustee to transfer such excess from the Rebate Fund to the Revenue Fund or as otherwise directed by a Favorable Opinion of Bond Counsel.

(b) The Borrower will pay, or will direct the Trustee to pay, to the United States of America from the amounts on deposit in the Rebate Fund, all amounts required to be paid to the United States of America under §148(f) of the Federal Tax Code and the Regulations promulgated thereunder, will complete and file any IRS form that must accompany each such payment to the United States of America, and will provide a copy of any such form to the Trustee.

(c) Notwithstanding any provision of this Section, if the Borrower provides, at the Borrower's expense, to the Trustee and to the Authority an Opinion of Bond Counsel to the effect that any action required under this Section or Section 12.02 of the Indenture is no longer required, or to the effect that some further action will be required, to maintain the excludability from gross income of interest on the Tax-Exempt Bonds pursuant to §103(a) of the Federal Tax Code, the Borrower, the Authority, and the Trustee may rely conclusively on such opinion in complying with the provisions hereof and Section 12.02 of the Indenture, and the covenants hereunder will be deemed to be modified to that extent.

Section 10.13 Annual Compliance Certificate

The Borrower will also promptly provide the Authority with such information as it reasonably requests, including, without limitation, information as to employee levels, financial status, and outstanding principal balance of the Bonds.

Section 10.14 Notice to the Rating Agencies

- (a) The Borrower will, prior to execution, give written notice of, and, after execution, copies of any amendment to the Indenture or to any indenture supplemental to the Indenture to each Rating Agency.
- (b) The Borrower will, prior to execution, give written notice of, and, after execution, copies of any amendment, change, or modification of any other Bond Documents to each Rating Agency.

Section 10.15 Covenants Regarding Tax-Exempt Bonds

The Authority and the Borrower each covenant that it will not directly or indirectly use or permit the use of any gross proceeds (as defined in the Treasury Regulations) of any Bonds or any other funds of the Authority or the Borrower, or take, or omit to take, any action, or direct the Trustee to invest any funds held by it, in such manner as will cause any Tax-Exempt Bonds to be or become Taxable.

Section 10.16 Authorized Borrower Representative, Authorized Authority Representatives and Successors

The Borrower and the Authority respectively, will designate, in the manner prescribed in the Indenture, the Authorized Borrower Representative and the Authorized Signatory. In the event that any Person so designated and such Person's alternate or alternates, if any, should become unavailable or unable to take any action or make any certificate provided for or required in this Lease Agreement, a successor will be appointed in the same manner.

ARTICLE 11**ASSIGNMENT, SUBLÉASING, ENCUMBERING, AND SELLING;
REDEMPTION; LEASE PAYMENTS; AND ABATEMENT****Section 11.01 Assignment and Subleasing**

(a) The Borrower may enter into subleases with occupants of the Project (which includes residence hall agreements, leases, licenses, or other similar agreements in accordance with University practice) or the University without complying with the provisions of this subsection other than Section 11.01(a)(6). With the prior written consent of the University (except as may be set forth in an amendment hereto) the rights and obligations of the Borrower under this Lease Agreement may be assigned and delegated, and the Project may be subleased, as a whole or in part, by the Borrower without the necessity of obtaining the consent of either the Authority or the Trustee, subject, however, to each of the following conditions:

- (1) No assignment (other than under Section 10.03) or sublease will relieve the Borrower from primary liability for any of its obligations hereunder, and in the event of any such assignment or sublease, the Borrower will continue to remain primarily liable for payment of the Lease Payments and for the payment, performance, and observance of the other obligations and agreements on its part herein provided to be performed and observed by it.
- (2) The assignee will assume in writing the obligations of the Borrower hereunder to the extent of the interest assigned.
- (3) The Borrower will furnish or cause to be furnished to the Authority and the Trustee assurances reasonably satisfactory to the Authority and the Trustee that the Project will continue to be operated as a student housing facility and related facilities in accordance with the terms of this Lease Agreement.
- (4) No assignment or sublease with any Person will be entered into by the Borrower without delivery by the Borrower to the Trustee in advance of:
 - (i) a Favorable Opinion of Bond Counsel, or a written determination from the IRS, to the effect that such assignment or sublease will not cause interest on any Tax-Exempt Bonds to be or become Taxable; and
 - (ii) an Opinion of Counsel to the effect that such assignment or sublease will not create a novation.

(5) The Borrower will, within 30 days after the execution thereof, furnish or cause to be furnished to the Authority, and the Trustee a true and complete copy of each such assignment or sublease, as the case may be. The Authority and the Trustee have the right, at any time and from time to time, to notify any assignee or sub-lessee of the rights of the Authority and the Trustee, as provided in this Lease Agreement. From time to time, on the request of the Authority or the Trustee, the Borrower will specifically assign and grant a security interest to the Trustee, as additional security for the Lease Payments, by an amendment to the Leasehold Mortgage in writing and in the form approved by the Authority and the Trustee, all the right, title, and interest of the Borrower in and to any and all subleases hereafter on or affecting the Project (other than any sublease to which the University is a party as the sub-lessee), together with all security therefor and all money payable thereunder, subject to the conditional right of the Borrower to collect the rentals under any such subleases. The Borrower and the Authority will also execute and deliver to the Trustee any notification, financing statement, or other document reasonably required by the Trustee to perfect the foregoing assignment and security interest created as to any such subleases and other properties.

(6) All subleases will, to the extent required by the laws of the State of Alabama, contain an attornment clause providing in effect that if at any time during the term of the sublease, the Trustee, the designee of the Trustee, or a subsequent purchaser at a foreclosure sale from the Trustee, becomes the owner of the Project, such sub-lessee agrees, at the election and on demand of any owner of the Project, to attorn, from time to time, to any such owner on the terms and conditions set forth in the sublease. To the extent required by the laws of the State of Alabama, such sub-lessee will be required to agree that at the request of the party to whom it has attorned, it will execute, acknowledge, and deliver, without charge, from time to time, instruments acknowledging such attornment. The attornment clause will also provide that on such attornment, the sublease will continue in full force and effect as, or as if it were, a direct sublease between the successor and the sub-lessee, except that the successor landlord will not (A) have any liability for any previous act or omission of a predecessor landlord under the sublease, (B) be bound by any previous modification of the sublease, unless such modification or prepayment will have been expressly approved in writing by the Authority and the Trustee, or (C) have any liability for refusal or failure to perform or complete the landlord's work or otherwise prepare the demised Project for occupancy in accordance with the provisions of the sublease.

(b) The Authority confirms and recognizes that the right of possession of sub-lessees of the Borrower to the Project and their other rights arising out of the subleases will not be affected or disturbed in any way by the Authority or the Trustee or by the exercise of any rights or remedies by the Authority or the Trustee for any reason other than one that would entitle the Borrower under the subleases to dispossess the sub-lessees from the Project or that would constitute an event of default under the subleases. Further, in the event of a foreclosure or such other exercise of the Authority's or the Trustee's rights under this Lease Agreement and the Indenture, the Authority agrees that so long as any sub-lessee is not in default under the terms of its sublease, it will recognize such sub-lessee as the sub-lessee under such sublease.

(c) For purposes of this Section 11, the term sub-lessee shall not include students of the University who are residents in the Project.

Section 11.02 Restrictions on Sale, Encumbrance, or Conveyance of the Project by the Borrower

The Borrower will not, except as specifically provided in this Lease Agreement and the Leasehold Mortgage, (a) directly, indirectly, or beneficially sell, convey, or otherwise dispose of any part of its interest in the Project during the Agreement Term, (b) permit any part of the Project to become subject to any mortgage, Lien, claim of title, encumbrance, security interest, conditional sale contract, title retention arrangement, finance lease, or other charge of any kind, except for Permitted Encumbrances or except as otherwise permitted under this Lease Agreement, or (c) assign, transfer, or hypothecate (other than to the Trustee) any rent (or analogous payment) then due or to accrue in the future under any sublease of the Project, except for Permitted Encumbrances or except as otherwise permitted in this Lease Agreement.

Section 11.03 Redemption of Bonds

The Authority, at the written request and expense of the Borrower at any time, and if the Bonds are then callable or available for purchase, and if there are funds available therefor, will forthwith take all steps necessary on its part to be taken under the applicable redemption or purchase provisions of the Indenture to effect redemption or purchase of all or part of the then outstanding Bonds, as may be specified by the Borrower, on the earliest date on which such redemption or purchase may be made under such applicable provisions. In the circumstances set forth in Sections 8.02, 9.01, and 9.02 and the Leasehold Mortgage, if the Borrower elects to have amounts transferred to, or deposited into, the Redemption Fund, Bonds will be redeemed by the Authority automatically without the request of the Borrower, however, in certain circumstances, the Borrower has the right to select the date of redemption under the Indenture.

ARTICLE 12
EVENTS OF DEFAULT AND REMEDIES

Section 12.01 Events of Default

The occurrence of any one or more of the following events constitutes an "Event of Default" under this Lease Agreement (whatever the reason for such event and whether it shall be voluntary or involuntary or effected by operation of law or pursuant to action:

(1) The Borrower fails to pay any Basic Lease Payment in the amount and at the times provided therefor in Section 7.02; or

(2) Any representation or warranty made by the Borrower in any statement or certificate furnished to the Authority or the Trustee or the purchaser of any Bonds, in connection with the sale of any Bonds or furnished by the Borrower pursuant hereto, proves to have been inaccurate in any material respect as the date of the issuance or making thereof and is not corrected within 30 days after written notice specifying such inaccuracy has been given to the Borrower by the Authority, the Trustee or such purchaser. In the case of any such inaccuracy that cannot with due diligence be corrected within such 30 day period, but that can be wholly corrected within a period of time not materially detrimental to the rights of the Trustee and, it will not constitute an Event of Default if corrective action is instituted by the Borrower within the applicable period and diligently pursued until the inaccuracy is corrected in accordance with and subject to any directions or limitations of time established in writing by the Trustee has consented to such extension in writing; or

(3) The Borrower fails to perform or cause to be performed any other covenant, condition, or provision hereof, other than as referred to in (1) above or any covenant contained in Section 10.08, and to correct such failure within 30 days after written notice specifying such failure is given to the Borrower by the Authority or the Trustee. In the case of any such failure that cannot with due diligence be corrected within such 30 day period, but that can be wholly corrected within a period of time not materially detrimental to the rights of the Trustee it will not constitute an Event of Default if corrective action is instituted by the Borrower within the applicable period and diligently pursued until the failure is corrected in accordance with and subject to any directions or limitations of time established in writing by the Trustee has consented to such extension in writing; or

(4) The Borrower (i) applies for or consents to the appointment of, or the taking of possession by, a receiver, custodian, trustee, or liquidator of it or of all or a substantial part of its property or of the Project, (ii) fails to lift or bond promptly (if legally permissible) any execution, garnishment, or attachment of such consequence as will impair the ability of the Borrower to carry on its operations at the Project, (iii) enters into an agreement of composition with its creditors, (iv) admits in writing its inability to pay its debts as such debts become due, (v) makes a general assignment for the benefit of its creditors, (vi) commences a voluntary case under the federal bankruptcy law or any similar law in effect in a foreign jurisdiction (as now or hereafter in effect), (vii) files a petition or answer seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, winding-up, or composition or adjustment of debts, (viii) fails to controvert in a timely or appropriate manner or acquiesce in writing to any petition filed against it in an involuntary case under such federal bankruptcy law or any similar law in effect in a foreign jurisdiction (as now or hereafter in effect), or (ix) takes any action for the purpose of effecting any of the foregoing; or

(5) A proceeding or case is commenced, without the application of the Borrower, in any court of competent jurisdiction, seeking (i) the liquidation, reorganization, dissolution, winding-up, or composition or adjustment of debts of the Borrower, (ii) the appointment of a trustee, receiver, custodian, liquidator, or the like of the Borrower or of all or any substantial part of its assets, or (iii) similar relief in respect of the Borrower under any law relating to bankruptcy, insolvency, reorganization, winding-up, or composition and adjustment of debts, and such proceeding or case continues without dismissal, or an order, judgment, or decree approving or ordering any of the foregoing is entered and continues without vacation or stay and in effect, for a period of 90 days, whether or not consecutive; or

(6) The Fixed Charges Coverage Ratio for any Annual Period ending on or after ~~June 30, 2026~~, is less than 1.0; or

(7) An Event of Default under, and as defined in, the Indenture shall occur and any applicable cure or grace period shall have expired.

Section 12.02 Remedies on Event of Default

(a) Whenever any Event of Default referred to in Section 10.01(a) occurs and is continuing, the Authority, or the Trustee as the assignee of the Authority, may declare all unpaid installments of Basic Lease Payments and other amounts payable under Section 7.02 of this Lease Agreement for the remainder of the Agreement Term to be immediately due and payable, whereon the same will become immediately due and payable, it being understood that on a declaration of acceleration by the Trustee under Section 7.02 of the Indenture, all unpaid Basic Lease Payments payable hereunder will become immediately due and payable; provided, however, that if acceleration of the Bonds has been rescinded and annulled under Section 7.02 of the Indenture, acceleration of the Basic Lease Payments and other amounts payable under Section 7.02 of this Lease Agreement required by this Section will similarly be rescinded and annulled and the Event of Default occasioning such acceleration will be waived, but no such waiver, rescission, and annulment will extend to or affect any subsequent Event of Default or impair or exhaust any right, power, or remedy consequent thereon.

(b) With respect to any Event of Default the Authority, or the Trustee as the assignee of the Authority, at its option, which may be exercised separately and independently from any similar option under the Indenture, shall:

(1) have access to and inspect, examine, and make copies of the books and records and any and all accounts, similar data, and income tax and other tax returns of the Borrower; and

(2) institute and take, by appropriate proceedings, from time to time, whatever action at law or in equity, or under the terms of the Bond Documents, may appear necessary or desirable to collect the Lease Payments and other amounts payable by the Borrower under this Lease Agreement then due or to become due, or to enforce performance and observance of any obligation, agreement, or covenant of the Borrower under this Lease Agreement; and

(3) intervene and file or prove any claim for the amounts due under this Lease Agreement as Lease Payments or otherwise, and take all action necessary or appropriate to protect the interests of the Owners in any proceeding referenced in Section 12.01(4) or (5).

(c) Amounts collected under action taken under this Section will be applied in accordance with the provisions of the Indenture, or, if the Bonds have been paid in full (or provision for payment thereof has been made in accordance with the provisions of the Indenture) and the Borrower has paid all amounts due under Sections 7.02, 8.08, 10.04, and 12.04, then any amounts remaining will be paid to the University.

Section 12.03 No Remedy Exclusive

No remedy herein conferred on or reserved to the Trustee, as assignee of the Authority, is intended to be exclusive of any other available remedy or remedies, but each and every such remedy is cumulative and in addition to every other remedy given under this Lease Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing on any Event of Default will impair any such right or power or will be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. To entitle the Trustee to exercise any remedy reserved to it in this Article, it will not be necessary to give any notice, other than such notice as may be herein expressly required. Such rights and remedies as are given the Authority hereunder will also extend to the Trustee, and the Trustee and the Owners of the Bonds are deemed third-party beneficiaries of all covenants and agreements herein contained.

Section 12.04 Agreement to Pay Attorneys' Fees and Expenses

In the event an Event of Default occurs on the part of the Borrower under any of the provisions of this Lease Agreement and the Authority or the Trustee employ attorneys or incur other expenses for the collection of Lease Payments hereunder or the enforcement of performance or observance of any obligation or agreement on the part of the Borrower herein contained, the Borrower agrees that it will, on demand therefor, pay to the Authority or the Trustee the reasonable fees of such attorneys and such other expenses reasonably incurred by the Authority and/or the Trustee. Any such attorneys' fees required to be paid by the Borrower under this Lease Agreement will include such attorneys' fees through all proceedings, including, but not limited to, negotiations, administrative hearings, trials, and appeals. The Borrower may contest, in good faith, the reasonableness of any such fees and expenses.

Section 12.05 Waiver of Events of Default

The Trustee, on behalf of the Authority, may waive any Event of Default hereunder (except with regard to Unassigned Rights) and its consequences or rescind any declaration of acceleration of payments of the Lease Payments due hereunder. In case of any such waiver or rescission, or in case any proceeding taken by the Authority or the Trustee on account of any such Event of Default is discontinued or abandoned or determined adversely to the Authority or the Trustee, then and in every such case the Authority and the Borrower will be restored to their former position and rights hereunder, but no such waiver or rescission extends to any subsequent or other Event of Default or impairs any right consequent thereon.

Section 12.06 Limited Liability, Authority, and Recourse

- (a) Notwithstanding anything to the contrary contained in any Bond Document or other instrument executed in connection with the issuance of the Bonds, the liability of the Borrower under any such Bond Document, Borrower Document or instrument is limited to its interest in the Project and the other Security and no Person has the right to obtain payment from the Borrower or from any assets of the Borrower other than the Project and the other Security.
- (b) No recourse under or upon any obligation, covenant or agreement contained in this Lease Agreement, in any of the other Bond Documents, or in any document delivered in connection with the issuance of any series of the Bonds, or for any claim based thereon, or under any judgment obtained against the Borrower, or by the enforcement of any assessment or penalty, or otherwise by any legal or equitable proceeding by virtue of any constitution, rule of law or equity, or statute or otherwise, or under any other circumstance, under or independent hereof, shall be had against any incorporator, director, member or officer, as such, past, present or future, of the Borrower or Collegiate Housing Foundation or any incorporator, director, member or officer thereof or of any successor entity, as such, either directly or through the Borrower or any successor entity or otherwise, for the payment for or to the Borrower or any receiver thereof, of any sum that may be due and unpaid by the Borrower under this Lease Agreement, any of the other Bond Documents, or any other document delivered in connection with the issuance of any series of Bonds.
- (c) Notwithstanding anything herein to the contrary, the liability of the Borrower hereunder and each obligation of the Borrower, including its indemnity obligations and reimbursement obligations, under this Lease Agreement and any other Borrower Document shall be limited to the funds available under the Borrower Documents, and from no other Person. No assets of Collegiate Housing Foundation shall be subject to or liable for the Borrower's obligations hereunder or under any other Borrower Documents, and Collegiate Housing Foundation shall have no obligation to contribute funds to the Borrower to pay any costs, expenses, obligations or liabilities of the Borrower hereunder or under any other Borrower Document. None of the Authority or the Trustee shall seek to obtain payment from any Person that owns the membership interest in or controls the Borrower, including Collegiate Housing Foundation or from any assets of Collegiate Housing Foundation. The provisions contained in this subsection are not intended to, and shall not, limit any right that the Authority or the Trustee might otherwise have to obtain injunctive relief against the Borrower or relief in any suit or action in connection with enforcement or collection of amounts that may become owing or payable under or on account of insurance maintained by the Borrower.
- (d) The provisions of this Section will survive the Agreement Term notwithstanding any enforcement or exercise by the Authority or the Trustee of any rights or remedies for a Lease Event of Default, including foreclosure under any Security Document, and whether or not the purchaser in any such foreclosure shall be the Authority or the Trustee.

Section 12.07 No Liability of the Borrower's or Collegiate Housing Foundation's Officers or the Authorized Borrower Representative

The Authority and the Borrower agree that no recourse under or on any obligation, covenant, or agreement contained in this Lease Agreement, in any of the Bond Documents or Borrower Documents, or in any other documents delivered in connection with the issuance of the Bonds, or for any claim based thereon, or under any judgment obtained against the Borrower, or by the enforcement of any assessment or penalty or otherwise or by any legal or equitable proceeding by virtue of any constitution, rule of law or equity, or statute or otherwise or under any other circumstances, under or independent hereof, will be had against the Authorized Borrower Representative, any incorporator, director, member, or officer, as such, past, present, or future of the Borrower or Collegiate Housing Foundation , or any incorporator, director, member, or officer of any successor entity, as such, either directly or through the Borrower, Collegiate Housing Foundation , or any successor entity, or otherwise, for the payment for or to the Borrower or any receiver thereof, of any sum that may be due and unpaid by the Borrower under this Lease Agreement, any of the Bond Documents or Borrower Documents, or any other documents delivered in connection with the issuance of the Bonds.

Section 12.08 Restoration to Original Positions

In case the Authority or the Trustee has proceeded to enforce any right under this Lease Agreement, and such proceedings are discontinued or abandoned for any reason, or are determined adversely, then and in every such case the Authority, the Borrower, and the Trustee will be restored to their former positions and rights hereunder, and all rights, remedies, and powers of the Authority and the Trustee will continue as if no such proceedings had been taken. To the extent that the Authority or the Trustee waives or rescinds any Event of Default hereunder, or in case any proceeding taken by the Authority or the Trustee on account of any such Event of Default is discontinued or abandoned or determined adversely, then and in every such case the Authority , the Trustee, and the Borrower will be restored to their former positions and rights hereunder, respectively, but no such waiver or rescission extends to any subsequent or other Event of Default or impairs any right consequent thereon.

Section 12.09 Delay or Omission Not a Waiver

The Authority and the Borrower agree that no delay or omission of the Authority or the Trustee to exercise any right or power accruing on any Event of Default impairs any such right or power, or will be construed to be a waiver of any such Event of Default or an acquiescence therein. Every power and remedy given by this Lease Agreement to the Authority or the Trustee may be exercised from time to time and as often as may be deemed expedient by the Authority or the Trustee.

Section 12.10 Waiver of Extension, Stay, and Redemption Laws

To the extent permitted by Applicable Law, the Borrower will not, during the continuance of any Event of Default hereunder, insist on, or plead, or in any manner whatever, claim or take any benefit or advantage of, any extension or stay law wherever enacted, now or at any time hereafter in force, that may affect the covenants and terms of performance of this Lease Agreement; nor after any sale or sales of the Project that may be made under any provision herein contained, or under the decree, judgment, or order of any court of competent jurisdiction, claim or exercise any right under any statute heretofore or hereafter enacted by the United States of America or by any state or territory, or otherwise, to redeem the property so sold or any part thereof, and the Borrower hereby expressly waives all benefits or advantages of any such law or laws and covenants not to hinder, delay or impede the execution of any power herein granted or delegated to the Authority, but to suffer and permit the execution of every power as though no such law or laws had been made or enacted.

Section 12.11 Remedies Subject to Provisions of Laws

The Authority and the Borrower agree that all rights, remedies, and powers provided by this Article may be exercised only to the extent that the exercise thereof does not violate any applicable provision of law, and all the provisions of this Article are subject to all applicable mandatory provisions of Applicable Law that may be controlling in the Project and to be limited to the extent necessary so that they will not render this Lease Agreement invalid or unenforceable under the provisions of any Applicable Law.

Section 12.12 No Right to Conduct Affairs of the Borrower

The Authority and the Borrower agree that nothing contained in this Lease Agreement will operate or be construed to grant to the Authority or the Trustee the right to conduct the business and affairs of the Borrower, whether or not an Event of Default has occurred.

ARTICLE 13**OPTIONS IN FAVOR OF THE BORROWER****Section 13.01 General Option to Terminate Lease Agreement**

The Borrower has, and the Authority hereby grants, the following option to terminate this Lease Agreement at any time prior to full payment of the Bonds (or provision for payment thereof having been made in accordance with the provisions of the Indenture). The Borrower may terminate the Agreement Term by (i) paying to the Trustee an amount that, when added to the aggregate amount on deposit in the Indenture Funds, is sufficient to provide for the discharge and termination of the Indenture pursuant to Article 13 thereof.

Section 13.02 Option to Prepay Lease On the Occurrence of Certain Extraordinary Events

(a) The Borrower has, and the Authority hereby grants, the option to prepay the Lease Agreement prior to the discharge of the Indenture:

(1) in full if the Project (or a substantial portion thereof) shall have been destroyed or damaged to such an extent that, in the opinion of an Independent Engineer expressed in a Certificate filed with the Trustee, the Borrower and the Authority, (i) the Project cannot reasonably be restored within a period of 12 months to the condition thereof immediately preceding such destruction or damage, or (ii) the Borrower is prevented from carrying on its normal operations at the Project for a period of not less than 12 consecutive months, or (C) the cost of restoration or replacement thereof would exceed the Net Proceeds of insurance payable in respect of such destruction or damage,

(2) in full if title to, or the temporary use of, a substantial portion of, the Project have been taken under the exercise of the power of eminent domain by any Governmental Authority, or Person acting under Governmental Authority, to such an extent that, in the opinion of an Independent Engineer expressed in a Certificate filed with the Trustee, the Borrower and the Authority, (i) the Project cannot be reasonably restored or replaced within a period of 12 months to substantially the condition thereof immediately preceding such taking, or (ii) the Borrower is prevented from carrying on its normal operations at the Project for a period of not less than 12 consecutive months, or (iii) the cost of restoration or replacement thereof would exceed the total amount of compensation for such taking, or

(3) in part in the event of partial condemnation or destruction of, or partial damage to, the Project, from the Net Proceeds received by the Borrower as a result of such taking, destruction, or damage to the extent such Net Proceeds are not used for the restoration of the Project or for the acquisition of substitute property suitable for the Borrower's operations at the Project as such operations were conducted prior to such taking, destruction, or damage if the Borrower furnishes to the Trustee, and the Authority (i) a Certificate of an Independent Engineer stating that the property forming a part of the Project that was taken, destroyed, or damaged is not essential to the Borrower's use or occupancy of the Project at substantially the same revenue-producing level as prior to such taking, destruction, or damage, or that the Project has been restored to a condition substantially equivalent to its condition prior to such taking, destruction, or damage, or that the Borrower has acquired suitable land and improvements that are substantially equivalent to the property forming a part of the Project that was taken, destroyed, or damaged or (ii) a written report of a Financial Consultant filed with the Trustee and the Authority that the Fixed Charges Coverage Ratio for each of the two Annual Periods following the Annual Period following such taking, destruction, or damage will not be less than the lesser of 1.20 or the average Fixed Charges Coverage Ratio for the two most recent Annual Periods prior to such taking, destruction, or damage for which audited financial statements are available.

(b) In the case of the occurrence of any of the events described in Section 13.02(a), the Borrower, if it exercises its option to prepay the Lease Agreement must prepay the Lease Agreement within 180 days after such event.

(c) To exercise such option, the Borrower will, within 60 days following the event authorizing the exercise of such option, give written notice of the exercise of such option to the Authority and to the Trustee and will specify therein the date of redemption, which date will not be less than 45, nor more than 120, days from the date such notice is mailed, and will make arrangements satisfactory to the Trustee for the giving of the required notice of redemption.

(d) The amount payable by the Borrower in the event of its exercise of the option to prepay the Lease Agreement in full granted in the circumstances described in Section 13.02(a)(1) and (2) will be the sum of the following:

(i) an amount of money that, when added to the amount then on deposit in the Indenture Funds is sufficient to retire and redeem all the then Outstanding Bonds on the applicable redemption date provided by the Indenture, including without limitation, principal, all interest to accrue to said redemption date, and redemption expense, but without premium, plus

(ii) an amount of money equal to the Trustee's and paying agents' fees and expenses, including reasonable attorneys' fees and expenses, under the Indenture accrued and to accrue until such final payment and redemption of the Bonds, plus

(iii) an amount of money equal to the Authority's reimbursable expenses under this Lease Agreement accrued and to accrue until such final payment and redemption of the Bonds.

(e) The amount payable by the Borrower in the event of its exercise of the option to prepay the Lease Agreement in part granted in the circumstances described in Section 13.02(a)(3) will be the sum of the following:

(i) an amount of money that, when added to the amount then on deposit in the Bond Fund and the Redemption Fund, is sufficient to retire and redeem the Outstanding Bonds that are to be redeemed on the applicable redemption date provided by the Indenture, including without limitation, principal, all interest to accrue to said redemption date, and redemption expense, but without premium, plus

(ii) an amount of money equal to the Trustee's and paying agents' fees and expenses, including reasonable attorneys' fees and expenses relating to such redemption, plus

(iii) an amount of money equal to the Authority's reimbursable expenses under this Lease Agreement relating to such redemption.

(f) The Authority authorizes and directs the Trustee to deposit all amounts received pursuant to this Section in the Redemption Fund for application as provided therefor.

Section 13.03 Option to Prepay Lease in Connection with Optional Redemption of the Bonds

(a) The Borrower has, and the Authority hereby grants, the option to prepay the Lease Agreement by prepaying Basic Lease Payments due under this Lease Agreement in such manner and amounts as will enable the Authority to redeem the Bonds prior to maturity in whole or in part on any date, as provided in Section 5.02 of the Indenture. The Basic Lease Payments payable by the Borrower in the event of its exercise of the option granted under this Section will be, (i) in the case of partial redemption, the amount necessary to pay principal, all interest to accrue to the redemption date, the applicable redemption premium, as provided in Section 5.02 of the Indenture, and any redemption expense, and (ii) in the case of a total redemption, the amounts set forth in Article of the Indenture and the applicable redemption premium, as provided in Section 5.02 of the Indenture.

(b) To exercise such option, the Borrower will give the Authority and the Trustee not less than 45 days' prior written notice of the exercise of such option, will specify therein the date of tender of such prepayment and the amount thereof, will direct the redemption of the corresponding amount of Bonds and will make arrangements satisfactory to the Trustee for the giving of the required notice of redemption.

(c) The Authority authorizes and directs the Trustee to deposit all amounts received pursuant to this Section in the Redemption Fund for application as provided therefor.

ARTICLE 14

PROVISIONS OF GENERAL APPLICATION

SECTION 14.01 NOTICES

(a) All notices, certificates, or other communications hereunder will be sufficiently given and will be deemed given when mailed by certified mail, postage prepaid, return receipt requested, or given when dispatched by electronic or facsimile transmission, or by personal delivery addressed as follows:

Name	Address	Contact Person
Authority	Homewood City Hall 2850 19th Street South Homewood, Alabama 35209	City Attorney
Trustee	1900 5th Avenue North 26th Floor 1 Birmingham, Alabama 35203	Corporate Trust
Borrower	409 Johnson Avenue Fairhope, Alabama 36532	President
University	800 Lakeshore Drive Homewood, Alabama 35229	Vice President for Finance, Business and Affairs and Strategy

(b) Receipt of notices, certificates, or other communications hereunder will occur on actual delivery (whether by mail, electronic or facsimile transmission, messenger, courier service, or otherwise) to any Person who is an officer of the Borrower at any location where such Person may be found, or to an officer, agent, or employee of the Borrower or other party, at the address of such party set forth above, subject to change as provided hereinabove. An attempted delivery in accordance with the foregoing, acceptance of which is refused or rejected, is deemed to be and constitutes receipt; and an attempted delivery in accordance with the foregoing by mail, messenger, or courier service (whichever is chosen by the sender) that is not completed because of changed address of which no notice was received by the sender in accordance with this provision prior to the sending of the notice, certificate, or other communication is also deemed to be and constitutes receipt. A duplicate copy of each notice, certificate, or other communication given hereunder will also be given to the Trustee. Any party named in this Section may, by notice given to each of the others, designate any additional or different addresses to which subsequent notices, certificates, or other communications will be sent. Notwithstanding anything to the contrary contained herein, the Authority's failure or delay in giving any notice or making any filing required in this Indenture will not affect the validity or efficacy of such notice or filing, and the Authority is not liable for any failure or delay by the Authority in giving such notice or making such filing.

Section 14.02 Construction and Binding Effect

This Agreement constitutes the entire agreement of the parties and supersedes any prior agreements. This Agreement inures to the benefit of and is binding on the Authority, the Borrower, and their respective successors and assigns subject, however, to the limitations set forth herein.

Section 14.03 Severability

In the event any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, such holding will not invalidate or render unenforceable any other provision hereof.

Section 14.04 Amendment, Changes, and Modifications

This Lease Agreement may be amended, changed, modified, or altered, only as provided in the Indenture.

Section 14.05 Execution of Counterparts

This Lease Agreement may be executed in several counterparts, each of which is an original and all of which constitute but one and the same instrument.

Section 14.06 Governing Law

This Lease Agreement and all disputes, claims, defenses, controversies or causes of action (whether in contract or tort) that may be based upon, arise out of or relate hereto, including as to any representation or warranty made by the Borrower in or in connection with this Lease Agreement or as an inducement to enter into this Lease Agreement, shall be governed by the laws of the State of Alabama, without regard to any conflicts of laws principles.

Section 14.07 Jurisdiction

- (a) All claims of whatever character arising out of this Lease Agreement shall be brought in any state or federal court of competent jurisdiction located in Jefferson County, Alabama.
- (b) By executing and delivering this Lease Agreement, each party hereto irrevocably: (i) accepts generally and unconditionally the exclusive jurisdiction and venue of such courts; (ii) waives any defense of forum non conveniens; (iii) agrees not to seek removal of such proceedings to any court or forum other than as specified above.

Section 14.08 Waiver of Personal Liability

The Borrower agrees that no Authority Indemnified Person shall be personally liable for the payment of Debt Service on the Bonds or any costs incidental thereto or any sum hereunder or under the Indenture or be subject to any personal liability or accountability by reason of the execution and delivery of this Lease Agreement or the Indenture.

Section 14.09 Non-Liability of the Authority

(a) The Authority shall not be obligated to pay the Debt Service on the Bonds, except from the Trust Estate. Neither the faith and credit nor the taxing power of the State of Alabama, or any other political subdivision or agency thereof or any political subdivision approving the issuance of the Bonds, nor the faith and credit of the Authority, is pledged to the payment of Debt Service on the Bonds or any costs incidental thereto. The Authority has no taxing power. The Authority shall not be directly, indirectly, contingently or otherwise liable for any costs, expenses, losses, damages, claims, or actions, of any conceivable kind on any conceivable theory, under or by reason of or in connection with the Indenture, the Bonds, or this Lease Agreement, except only to the extent amounts are received for the payment thereof from the Borrower under this Lease Agreement.

(b) The Borrower hereby acknowledges that the Authority's sole source of money to repay the Bonds is the Trust Estate, and hereby agrees that if the payments to be made under this Lease Agreement ever prove insufficient to pay all Debt Service on the Bonds as the same shall become due (whether by maturity, redemption, acceleration, or otherwise) or costs incidental thereto, then upon notice or demand from the Trustee, the Borrower shall pay such amounts as are required from time to time to prevent any deficiency or default in the payment of such Debt Service when due, including, but not limited to, any deficiency caused by acts, omissions, nonfeasance, or malfeasance on the part of the Trustee, the Authority, the Borrower, or any third party, subject to any right of reimbursement from the Trustee, the Authority, or any such third party, as the case may be, therefor.

Section 14.10 No Obligation to Enforce Assigned Rights

Notwithstanding anything to the contrary in this Lease Agreement or the Indenture, the Authority shall have no obligation to and instead the Trustee and/or the Owners, as the case may be, in accordance with this Lease Agreement and the Indenture, shall have the right, without any direction from or action by the Authority, to take any and all steps, actions, and proceedings, to enforce any or all rights of the Authority (other than the Unassigned Rights) under the Indenture or this Lease Agreement, including, without limitation, the rights to enforce the remedies on the occurrence and continuation of an Event of Default and the obligations of the Borrower under this Lease Agreement.

Section 14.11 Non-Impairment

Nothing in this Lease Agreement shall be deemed or construed to limit, impair, or affect in any way the right of the Authority, or of any Authority Indemnified Person, to enforce the Unassigned Rights, regardless of whether there is then existing an Event of Default (including, without limitation, a payment default), or any action based thereon or occasioned by an Event of Default or alleged Event of Default, and regardless of any waiver or forbearance granted by the Trustee or any Bondholder(s) in respect thereof. Any default or Event of Default in respect of the Unassigned Rights may only be waived with the Authority's written consent.

Section 14.12 Authority's Performance

None of the provisions of this Lease Agreement shall require the Authority to expend or risk its own funds or otherwise to incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers hereunder, unless payable from the Trust Estate, or unless the Authority shall first have been adequately indemnified to its satisfaction against the cost, expense, and liability which may be incurred thereby. The Authority shall not be under any obligation hereunder to perform any administrative service with respect to the Bonds or the Project (including, without limitation, record keeping and legal services), it being understood that such services will be performed or provided by the Trustee or the Borrower. The Authority covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions expressly contained in this Lease Agreement, the Indenture, and any and every Bond executed, authenticated, and delivered under the Indenture; provided, however, that the Authority shall not be obligated to take any action or execute any instrument under any provision hereof unless and until it has (a) been requested to do so in writing by the Borrower, the Trustee, or a Majority of the Owners, having the authority to so direct, (b) received from the party requesting such action or execution assurance satisfactory to the Authority that the Authority's expenses incurred or to be incurred in connection with taking such action or executing such instrument have or will be paid or reimbursed to the Authority; and (c) if applicable, received in a timely manner the instrument or document to be executed, in form and substance satisfactory to the Authority. In complying with any provision herein or in the Indenture, including, but not limited to, any provision requiring the Authority to "cause" another Person to take or omit any action, the Authority shall be entitled to rely conclusively (and without independent investigation or verification) (i) on the faithful performance by the Trustee or the Borrower, as the case may be, of their respective obligations hereunder and under the Indenture, and (ii) upon any written certification or opinion furnished to the Authority by the Trustee or the Borrower, as the case may be. In acting, or in refraining from acting, under this Lease Agreement, the Authority may conclusively rely on the advice of its counsel. The Authority shall not be required to take any action hereunder or under the Indenture that it reasonably believes to be unlawful or in contravention hereof or thereof.

Section 14.13 Payments Due on Saturdays, Sundays, and Holidays

In any case where the date for any payment due under this Lease Agreement is, in the location of the Office of the Trustee, not a Business Day, then such payment may be made on the immediately succeeding Business Day with the same force and effect as if made on the date due.

Section 14.14 Subordination to Indenture

This Lease Agreement and the rights and privileges hereunder of the Borrower are expressly made subject and subordinate to the rights and privileges of the Trustee and the Owners set forth in the Indenture.

Section 14.15 Limitation on Interest

No provisions of this Lease Agreement require the payment or permit the collection of interest in excess of the maximum interest rate permitted by law. If any excess interest in such respect is herein provided for, or adjudicated to be so provided for herein the Borrower will not be obligated to pay such interest in excess of the amount permitted by law, and the right to demand the payment of any such excess will be and hereby is waived. This provision will control any provisions of this Lease Agreement inconsistent with this provision.

Section 14.16 Indenture

The Indenture provisions concerning the Bonds and the other matters therein are an integral part of the terms and conditions of this Lease Agreement, and the execution of this Lease Agreement will constitute conclusive evidence of approval of the Indenture by the Borrower to the extent it relates to the Borrower. Additionally, the Borrower agrees that, whenever the Indenture by its terms imposes a duty or obligation on the Borrower, such duty or obligation will be binding upon the Borrower to the same extent as if the Borrower were an express party to the Indenture, and the Borrower hereby agrees to carry out and perform all of its obligations under the Indenture as fully as if the Borrower were a party to the Indenture.

Section 14.17 Authority of Authorized Borrower Representative

Whenever under the provisions of this Lease Agreement or the Indenture the approval of the Borrower is required, or the Authority or the Trustee is required to take some action at the request of the Borrower, such approval or such request will be made by an Authorized Borrower Representative unless otherwise specified herein or in the Indenture. The Authority or the Trustee is authorized to act on any such approval or request and the Borrower will have no complaint against the Authority or the Trustee as a result of any such action taken in accordance with such approval or request. The execution of any document or certificate required under the provisions hereof or of the Indenture by an Authorized Borrower Representative will be on behalf of the Borrower and will not result in any personal liability of such Authorized Borrower Representative.

Section 14.18 Authority of Authorized Signatory

Whenever under the provisions of this Lease Agreement or the Indenture the approval of the Authority is required, or the Borrower or the Trustee is required to take some action at the request of the Authority such approval or such request will be made by an Authorized Signatory unless otherwise specified herein or in the Indenture. The Borrower or the Trustee is authorized to act on any such approval or request and the Authority will have no complaint against the Borrower or the Trustee as a result of any such action taken in accordance with such approval or request. The execution of any document or certificate required under the provisions hereof or of the Indenture by an Authorized Signatory will be on behalf of the Authority and will not result in any personal liability of such Authorized Signatory.

Section 4.19 Notice of Change in Fact

The Borrower will notify the Authority and the Trustee in writing promptly after the Borrower becomes aware of (a) any change in any material fact or circumstance represented or warranted by the Borrower in this Lease Agreement or in connection with the issuance of a series of Bonds that would make any such representation or warranty false when made, (b) any Event of Default specifying in each case the nature thereof and what action the Borrower has taken, is taking, and/or proposes to take with respect thereto, (c) any IRS audit of the Borrower or the Bonds, and/or (d) any material litigation affecting the Bonds, the Borrower, or the Project.

Section 14.20 Survival of Provisions

The provisions of this Lease Agreement and the Indenture and any other document in connection with the issuance of the Bonds to which the Authority is a party concerning (i) the tax-exempt status of Tax-Exempt Bonds (including, but not limited to provisions concerning rebate); (ii) the interpretation of this Lease Agreement; (iii) governing law, jurisdiction, and venue; (iv) the Authority's right to rely on written representations of others contained herein or in any other document or instrument issued or entered into in respect of the Bonds, regardless of whether the Authority is a party thereto; (v) the indemnification rights and exculpation from liability of the Authority and the Authority Indemnified Persons; and (vi) any other provision of this Lease Agreement not described or enumerated above that expressly provides for its survival, will survive and remain in full force and effect notwithstanding the payment or redemption in full, or defeasance of the Bonds, the discharge of the Indenture, and the termination or expiration of this Lease Agreement.

The Authority, the Borrower and the Trustee, by acceptance of assignment of this Lease Agreement, agree that, notwithstanding any other provision of this Lease Agreement or the Indenture, to the extent of their rights hereunder (including without limitation, their rights to immunity, indemnification and exculpation from pecuniary liability) each Authority Indemnified Person is a third-party beneficiary of this Lease Agreement entitled to enforce such rights in the name thereof.

ARTICLE 1

THIRD-PARTY BENEFICIARIES

IN WITNESS WHEREOF, the Authority and the Borrower have each caused this Bond Lease Agreement (CHF - Horizons II, L.L.C. Project at Samford University) to be executed in its name, under seal, by an officer thereof duly authorized thereunto.

**THE EDUCATIONAL BUILDING AUTHORITY
OF THE CITY OF HOMWOOD**

The Authority, the Borrower and the Trustee, by acceptance of assignment of this Lease Agreement, agree that, notwithstanding any other provision of this Lease Agreement or any of the other Bond Documents:

- (a) the University is a third-party beneficiary of this Lease Agreement and shall have all rights and remedies thereof as provided by Applicable Law; and
- (b) to the extent of their rights hereunder (including without limitation, their rights to immunity, indemnification and exculpation from pecuniary liability) each Authority Indemnified Person is a third-party beneficiary of this Lease Agreement entitled to enforce such rights in the name thereof.

S E A L

By _____ Chair

Attest: _____

Secretary

CHF- HORIZONS II, L.L.C.

By: Collegiate Housing Foundation,
As sole member

By _____
President

AGREEMENT AND CONSENT OF SAMFORD UNIVERSITY

The undersigned Samford University does hereby, pursuant to, and for the purposes of, the Ground Lease Agreement (CHP - Horizons II, L.L.C. Student Housing/Parking Project at Samford University) dated [Month] 1, 2024, certify that the above and foregoing Lease Agreement has been reviewed by an Authorized University Representative and Samford University does hereby agree and consent to the terms and provisions, and the delivery and performance by the within Authority and Borrower, of the Lease Agreement, including particularly and without limitation the provisions thereof applicable to Samford University.

IN WITNESS WHEREOF, Samford University has caused this Agreement and Consent to be executed in its name, under seal, by an officer thereof duly authorized thereunto.

SAMFORD UNIVERSITY

By _____
President

STATE OF ALABAMA)
JEFFERSON COUNTY)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that _____ whose name as Chair of The Educational Building Authority of the City of Homewood, a public corporation, is signed to the foregoing Bond Lease Agreement (CHF - Horizons II, L.L.C. Student Housing/Parking Project at Samford University) and who is known to me, acknowledged before me on this day that, being informed of the contents of said Bond Lease Agreement, he, as such officer and with full authority, executed the same voluntarily for and as the act of said public corporation.

Given under my hand this the _____ day of _____, 2024.

Notary Public

NOTARIAL SEAL

My commission expires: _____

STATE OF ALABAMA)
JEFFERSON COUNTY)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that _____ whose name as President of Collegiate Housing Foundation, an Alabama corporation acting as sole member of CHF - Horizons II, L.L.C., an Alabama limited liability company, is signed to the foregoing Bond Lease Agreement (CHF - Horizons II, L.L.C. Student Housing/Parking Project at Samford University) and who is known to me, acknowledged before me on this day that, being informed of the contents of said Bond Lease Agreement he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation acting as sole member of said limited liability company as aforesaid..

Given under my hand this the _____ day of _____, 2024.

Notary Public

NOTARIAL SEAL

My commission expires: _____

STATE OF ALABAMA)
COUNTY OF JEFFERSON)

EXHIBIT A

DESCRIPTION OF THE PROPERTY

I, the undersigned, a Notary Public in and for said county in said state, hereby certify that _____ whose name as _____ of Samford University, a non-profit corporation under the laws of Alabama, is signed to the foregoing, Bond Lease Agreement (CHF - Horizons II, L.L.C. Student Housing/Parking Project at Samford University) and who is known to me, acknowledged before me on this day, that, being informed of the contents of said Bond Lease Agreement he, as such officer and with full authority, executed the same voluntarily for and as the act of the said corporation.

GIVEN under my hand and official seal of office, this _____ day of _____, 2024.

Notary Public
My Commission expires: _____

[SEAL]

EXHIBIT B

DESCRIPTION OF THE EQUIPMENT

All machinery, equipment, furniture, furnishings, appliances, signs, and other articles of tangible personal property of every kind and nature whatsoever owned by the Borrower now or hereafter attached to, used in connection with, or located at, in, on, or under the Property described in Exhibit A hereto, excluding, however, machinery, equipment, furniture, furnishings, and other articles of tangible personal property located at, in, on, or under the Property described in Exhibit A hereto that is owned by occupants of the Project located on the Property.

[THIS PAGE INTENTIONALLY LEFT BLANK]

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX E

DTC BOOK-ENTRY SYSTEM

The information in this Appendix E concerning DTC and DTC's book-entry system has been obtained from DTC and contains statements that are believed to describe accurately DTC, the method of effecting book-entry transfers of securities distributed through DTC and certain related matters, but neither the Authority nor the Borrower takes any responsibility for the accuracy or completeness of such statements. Beneficial Owners should confirm the following information with DTC or the DTC Participants.

This section describes how ownership of the Series 2024 Bonds is to be transferred and how the principal of and interest on the Series 2024 Bonds are to be paid to and credited by DTC while the Series 2024 Bonds are registered in its nominee name. The information in this section concerning DTC and the Book-Entry-Only System has been provided by DTC for use in disclosure documents such as this Official Statement. The Borrower and the Underwriters believe the source of such information to be reliable, but take no responsibility for the accuracy or completeness thereof.

The Borrower cannot and does not give any assurance that (1) DTC will distribute payments of debt service on the Series 2024 Bonds, or redemption or other notices, to DTC Participants, (2) DTC Participants or others will distribute debt service payments paid to DTC or its nominee (as the registered owner of the Series 2024 Bonds), or redemption or other notices, to the Beneficial Owners, or that they will do so on a timely basis, or (3) DTC will serve and act in the manner described in this Official Statement. The current rules applicable to DTC are on file with the United States Securities and Exchange Commission, and the current procedures of DTC to be followed in dealing with DTC Participants are on file with DTC.

None of the Authority, the Borrower, the Trustee or the Underwriters has any responsibility or obligation to any Beneficial Owner with respect to (1) the accuracy of any records maintained by DTC or any DTC Participant, (2) the distribution by DTC or any DTC Participant of any notice that is permitted or required to be given to the Owners of the Series 2024 Bonds under the Indenture, (3) the payment by DTC or any DTC Participant of any amount received under the Indenture with respect to the Series 2024 Bonds, (4) any consent given or other action taken by DTC or its nominee as the Owner of the Series 2024 Bonds or (5) any other related matter.

DTC will act as securities depository for the Series 2024 Bonds. The Series 2024 Bonds will be issued as fully registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered certificate will be issued for each maturity of the Series 2024 Bonds, in the aggregate principal amount of each maturity, and will be deposited with DTC.

General

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of certificated securities. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations.

DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the

DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a rating of AA+ by Standard & Poor’s. The DTC Rules applicable to its Participants are on file with the United States Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Series 2024 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2024 Bonds on DTC’s records. The ownership interest of each actual purchaser of Series 2024 Bonds (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2024 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive Series 2024 Bonds representing their ownership interests in Series 2024 Bonds, except in the event that use of the book-entry system for the Series 2024 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2024 Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2024 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership.

DTC has no knowledge of the actual Beneficial Owners of the Series 2024 Bonds; DTC’s records show only the identity of the Direct Participants to whose accounts such Series 2024 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2024 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2024 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Series 2024 Bonds may wish to ascertain that the nominee holding the Series 2024 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Trustee and request that copies of the notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2024 Bonds within a maturity are being redeemed, DTC’s practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2024 Bonds unless authorized by a Direct Participant in accordance with DTC’s MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Borrower as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.’s consenting or voting rights to those Direct Participants to whose accounts Series 2024 Bonds are credited on the Record Date (identified in a listing attached to the Omnibus Proxy).

Principal, redemption and interest payments on the Series 2024 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC’s practice is to credit Direct Participants’ accounts upon DTC’s receipt of funds and corresponding detail information from the Borrower or the Trustee, on payable date in accordance with their respective holdings shown on DTC’s records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in “street name,” and will be the responsibility of such Participant and not of DTC nor its nominee, the Trustee, or the Borrower, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, redemption price and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the

responsibility of the Borrower or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Series 2024 Bonds at any time by giving reasonable notice to the Borrower or the Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, Bond certificates are required to be printed and delivered to DTC Participants or the Beneficial Owners, as the case may be.

Limitation

For so long as the Series 2024 Bonds are registered in the name of DTC or its nominee, Cede & Co., the Authority, the Borrower and the Trustee will recognize only DTC or its nominee, Cede & Co., as the registered owner of the Series 2024 Bonds for all purposes, including payments, notices and voting. So long as Cede & Co. is the registered owner of the Series 2024 Bonds, references herein to the Holders or registered owners of the Series 2024 Bonds shall mean Cede & Co. and shall not mean the Beneficial Owners of the Series 2024 Bonds.

Because DTC is treated as the owner of the Series 2024 Bonds for substantially all purposes under the Indenture, Beneficial Owners may have a restricted ability to influence in a timely fashion remedial action or the giving or withholding of requested consents or other directions. In addition, because the identity of Beneficial Owners is unknown to the Authority, the Borrower, the Trustee or DTC, it may be difficult to transmit information of potential interest to Beneficial Owners in an effective and timely manner. Beneficial Owners should make appropriate arrangements with their broker or dealer regarding distribution of information regarding the Series 2024 Bonds that may be transmitted by or through DTC.

Under the Indenture, payments made by the Trustee to DTC or its nominee shall satisfy the Authority's obligations under the Indenture and the Borrower's obligations under the Lease Agreement to the extent of the payments so made.

None of the Authority, the Borrower or the Trustee shall have any responsibility or obligation with respect to:

- (a) the accuracy of the records of DTC, its nominee or any Direct Participant or Indirect Participant with respect to any beneficial ownership interest in any Series 2024 Bonds;
- (b) the delivery to any Direct Participant or Indirect Participant or any other Person, other than a Holder, as shown on the registration books maintained by the Trustee, of any notice with respect to any Series 2024 Bond including, without limitation, any notice of redemption with respect to any Series 2024 Bond;
- (c) the payment to any Direct Participant or Indirect Participant or any other Person, other than a Holder, as shown on the registration books maintained by the Trustee, of any amount with respect to the principal or redemption price of, or interest on, any Series 2024 Bond; or
- (d) any consent given by DTC or its nominee as registered owner.

Prior to any discontinuation of the book-entry only system hereinabove described, the Authority, the Borrower and the Trustee may treat Cede & Co. (or such other nominee of DTC) as, and deem Cede & Co. (or such other nominee) to be, the absolute Holder of the Series 2024 Bonds for all purposes whatsoever, including, without limitation:

- (a) the payment of the principal or redemption price of and interest on and the Series 2024 Bonds;
- (b) giving notices of redemption and other matters with respect to the Series 2024 Bonds;

- (c) registering transfers with respect to the Series 2024 Bonds; and
- (d) the selection of Series 2024 Bonds for redemption.

The Authority and the Trustee cannot give any assurances that DTC or the Participants will distribute payments of the principal or redemption price of and interest on the Series 2024 Bonds, paid to DTC or its nominee, as the registered owner of the Series 2024 Bonds, or any redemption or other notices, to the Beneficial Owners or that they will do so on a timely basis or that DTC will serve and act in the manner described in this Official Statement.

So long as Cede & Co. is the registered owner of the Series 2024 Bonds, as nominee of DTC, references in this Official Statement to the Holders of the Series 2024 Bonds shall mean Cede & Co. and shall not mean the Beneficial Owners, and Cede & Co. will be treated as the only Bondholder of Series 2024 Bonds for all purposes under the Indenture.

The Authority may enter into amendments to the agreement with DTC or successor agreements with a successor securities depository relating to the book-entry system to be maintained with respect to the Series 2024 Bonds without the consent of Beneficial Owners or Bondholders.

Removal From the Book-Entry System

DTC may discontinue providing its services as securities depository with respect to the Series 2024 Bonds at any time by giving written notice to the Authority, the Trustee and the Borrower. The Authority or the Borrower, with the consent of the other, may terminate the services of DTC (or a successor securities depository). Upon the discontinuance or termination of the services of DTC, unless a substitute securities depository is appointed, Bond certificates will be printed and delivered to the Beneficial Owners of the Series 2024 Bonds.

In the event the Series 2024 Bonds are removed from the Book-Entry System, the principal of and the interest on the Series 2024 Bonds shall be payable to the persons in whose names the Series 2024 Bonds are registered on the Bond Register on the applicable Record Date. Payments of interest on the Series 2024 Bonds shall be made to the registered owner of the Series 2024 Bonds (as determined at the close of business on the Record Date next preceding the applicable Stated Interest Payment Date) by check mailed on the Stated Interest Payment Date and the principal amount of any Series 2024 Bond and premium, if any, together with interest payable other than a regularly scheduled Stated Interest Payment Date, shall be made by check only upon presentation and surrender of the Series 2024 Bond on or after its maturity date or date fixed for redemption or other payment at the office of the Trustee; provided, however, that payment of principal of, premium, if applicable, and interest on any Series 2024 Bond may be made by wire transfer as described above under the heading "THE SERIES 2024 BONDS."

APPENDIX F
PROPOSED FORMS OF OPINION OF BOND COUNSEL

[Form of Opinion for Tax-Exempt Series 2024C Bonds]

_____, 2024

The Educational Building Authority of the City of Homewood

RBC Capital Markets, LLC

Stifel, Nicolaus & Company, Incorporated

Owners of the Bonds referenced herein

THE EDUCATIONAL BUILDING AUTHORITY OF THE CITY OF HOMEWOOD

Revenue Bonds

(CHF - Horizons II, L.L.C. Student Housing/Parking Project at Samford University)

Tax-Exempt Series 2024-C

We have acted as bond counsel to The Educational Building Authority of the City of Homewood (the "Authority") for the purpose of delivering the within opinions in connection with the issuance of the above-referenced Bonds (the "Bonds") by the Authority on the date hereof pursuant to the Governing Law and that certain Trust Indenture dated _____ 1, 2024 (the "Indenture") by the Authority and Regions Bank, as trustee (the "Trustee"), to finance certain educational facilities (the "Project") for lease to CHF - Horizons II, L.L.C., an Alabama limited liability company (the "Borrower"), pursuant to Lease Agreement dated _____ 1, 2024 (the "Lease Agreement") by the Authority and the Borrower, for the benefit of, and management by, Samford University, an Alabama nonprofit corporation (the "University").

For purposes hereof, we have incorporated and used herein certain capitalized terms as such terms are defined in the Indenture .

The within opinions are based upon our (a) examination of (i) the certificate of incorporation, as amended, of the Authority, (ii) the executed Bonds, (iii) executed counterparts of the Indenture and the Lease Agreement and certified proceedings of the Authority with respect thereto, (iv) the executed Tax Agreement, and (v) such other certificates, documents, proceedings and records provided to us for purposes hereof and as we have deemed necessary (collectively the "Supporting Documents"); (b) review of the applicable laws of the State of Alabama and of the United States of America in effect on the date hereof and as we have deemed necessary; (c) reliance, without independent investigation or inquiry, upon the representations of fact made in the Indenture, the Lease Agreement, the Tax Agreement, and the Supporting Documents, and (d) assumption that (i) the Authority, the Borrower and the University will comply with the Tax Agreement, and the requirements of the Federal Tax Code which are applicable subsequent to the issuance of the Bonds, for the continued exclusion of interest on the Bonds

from gross income for purposes of federal income taxation, (ii) the Lease Agreement is enforceable by and against the Borrower, and (iii) the Indenture is enforceable by and against the Trustee.

We are of the opinion, on the date hereof and subject to the within qualifications, that:

(1) The Authority validly exists under the Governing Law and pursuant to the authority thereof has duly authorized, executed and delivered the Bonds, the Indenture and the Lease Agreement.

(2) The Indenture and the Lease Agreement are legal, valid and binding obligations of the Authority and are enforceable against the Authority in accordance with the respective terms thereof.

(3) The Bonds are legal, valid and binding obligations of the Authority payable solely from, and secured by a valid pledge of, the Trust Estate under the Indenture on an equal and proportionate basis with all Bonds at any time Outstanding under the Indenture.

(4) Interest on the Bonds is presently excludable from gross income for federal income tax purposes under Section 103 of the Federal Tax Code, regulations and rulings of the Commissioner of Internal Revenue issued or pertinent thereunder, and court decisions heretofore rendered, and is not an item of tax preference for purposes of the federal alternative minimum tax; provided, as a result of amendments to the Federal Tax Code enacted pursuant to the Inflation Reduction Act of 2022, interest on the Bonds may be taken into account for purposes of the alternative minimum tax imposed by Section 55(b)(2) of the Federal Tax Code on "applicable corporations" as defined in Section 59(k) of the Federal Tax Code. The opinion set forth in the preceding sentence is subject to the condition that the Authority, the Borrower, and the University comply with all requirements of the Federal Tax Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Authority, the Borrower, and the University have each covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause interest on the Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds.

(5) Interest on the Bonds is exempt from State of Alabama income taxation.

The rights of the Owners of the Bonds, and the enforceability of the Bonds, the Indenture and the Lease Agreement, are subject to and may be limited by (a) the exercise of judicial discretion (in a proceeding at law or in equity), (b) the valid exercise of the constitutional powers of the United States of America and the sovereign and police powers of the State of Alabama, and (c) bankruptcy, insolvency, reorganization, moratoria, fraudulent conveyance, and other similar laws affecting creditors' rights heretofore or hereafter enacted, to the extent constitutionally applicable.

We have not been engaged, and therefore have not undertaken, to review or determine, and consequently provide no assurance, and express no opinion, as to: (a) the tax treatment of interest on the Bonds under any provision or section of the Federal Tax Code, other than Section 103 thereof, or any other law of the United States of America, the State of Alabama, or of any other state; (b) the validity of the Bonds, the Indenture or the Lease Agreement under the laws of any state other than State of Alabama; (c) the title of the Authority, the Borrower, or the University to any property or revenues; (d) the adequacy of the sources of payment of the Bonds; or (e) the adequacy, completeness, sufficiency or veracity of any statement or information in any official statement or other offering document, or other information with respect to the offering or sale of the Bonds.

By acceptance hereof, you have each agreed (a) the within opinions are (i) limited to the subjects expressly stated herein and no other opinion is implied or may be inferred therefrom, (ii) given on the date hereof whereupon

our engagement with respect to the subjects stated herein terminated and we have no continuing obligation to advise any of you (or any successor or assign thereof) of any change in relevant fact or law subsequent to the date hereof even if such change may affect an opinion herein, (iii) delivered to you solely in connection with the subject transactions and cannot be relied upon by you or any other person for any other purpose, and (iv) an expression of our professional judgement as to the legal issues expressly stated herein and in consequence thereof we are not a guarantor or insurer of such expression of professional judgement or of the outcome of any legal dispute that may arise with respect to any subject matter herein contained; and (b) each of the Owners of the Bonds, Regions Bank, as trustee, Stifel, Nicolaus & Company, Incorporated, and RBC Capital Markets, LLC, has not had any attorney-client relationship with Maynard Nexsen PC with respect to the subject transaction or any matter referenced herein.

Faithfully yours,

[Form of Opinion for Taxable Series 2024D Bonds]

_____, 2024

The Educational Building Authority of the City of Homewood

RBC Capital Markets, LLC

Stifel, Nicolaus & Company, Incorporated

Owners of the Bonds referenced herein

THE EDUCATIONAL BUILDING AUTHORITY OF THE CITY OF HOMEWOOD

Revenue Bonds

(CHF - Horizons II, L.L.C. Student Housing/Parking Project at Samford University)

Federally Taxable Series 2024-D

We have acted as bond counsel to The Educational Building Authority of the City of Homewood (the "Authority") for the purpose of delivering the within opinions in connection with the issuance of the above-referenced Bonds (the "Bonds") by the Authority on the date hereof pursuant to the Governing Law and that certain Trust Indenture dated _____ 1, 2024 (the "Indenture") by the Authority and Regions Bank, as trustee (the "Trustee"), to finance certain educational facilities (the "Project") for lease to CHF - Horizons II, L.L.C., an Alabama limited liability company (the "Borrower"), pursuant to Lease Agreement dated _____ 1, 2024 (the "Lease Agreement") by the Authority and the Borrower, for the benefit of, and management by, Samford University, an Alabama nonprofit corporation (the "University").

For purposes hereof, we have incorporated and used herein certain capitalized terms as such terms are defined in the Indenture .

The within opinions are based upon our (a) examination of (i) the certificate of incorporation, as amended, of the Authority, (ii) the executed Bonds, (iii) executed counterparts of the Indenture and the Lease Agreement and certified proceedings of the Authority with respect thereto, and (iv) such other certificates, documents, proceedings and records provided to us for purposes hereof and as we have deemed necessary (collectively the "Supporting Documents"); (b) review of the applicable laws of the State of Alabama and of the United States of America in effect on the date hereof and as we have deemed necessary; (c) reliance, without independent investigation or inquiry, upon the representations of fact made in the Indenture, the Lease Agreement, and the Supporting Documents, and (d) assumption that (i) the Lease Agreement is enforceable by and against the Borrower, and (ii) the Indenture is enforceable by and against the Trustee.

We are of the opinion, on the date hereof and subject to the within qualifications, that:

(1) The Authority validly exists under the Governing Law and pursuant to the authority thereof has duly authorized, executed and delivered the Bonds, the Indenture and the Lease Agreement.

(2) The Indenture and the Lease Agreement are legal, valid and binding obligations of the Authority and are enforceable against the Authority in accordance with the respective terms thereof.

(3) The Bonds are legal, valid and binding obligations of the Authority payable solely from, and secured by a valid pledge of, the Trust Estate under the Indenture on an equal and proportionate basis with all Bonds at any time Outstanding under the Indenture.

(4) Interest on the Bonds is not excludable from gross income for federal income tax purposes.

(5) Interest on the Bonds is exempt from State of Alabama income taxation.

The rights of the Owners of the Bonds, and the enforceability of the Bonds, the Indenture and the Lease Agreement, are subject to and may be limited by (a) the exercise of judicial discretion (in a proceeding at law or in equity), (b) the valid exercise of the constitutional powers of the United States of America and the sovereign and police powers of the State of Alabama, and (c) bankruptcy, insolvency, reorganization, moratoria, fraudulent conveyance, and other similar laws affecting creditors' rights heretofore or hereafter enacted, to the extent constitutionally applicable.

We have not been engaged, and therefore have not undertaken, to review or determine, and consequently provide no assurance, and express no opinion, as to: (a) the tax treatment of interest on the Bonds under any provision or section of the Federal Tax Code or any other law of the United States of America, the State of Alabama, or of any other state; (b) the validity of the Bonds, the Indenture or the Lease Agreement under the laws of any state other than State of Alabama; (c) the title of the Authority, the Borrower, or the University to any property or revenues; (d) the adequacy of the sources of payment of the Bonds; or (e) the adequacy, completeness, sufficiency or veracity of any statement or information in any official statement or other offering document, or other information with respect to the offering or sale of the Bonds.

By acceptance hereof, you have each agreed (a) the within opinions are (i) limited to the subjects expressly stated herein and no other opinion is implied or may be inferred therefrom, (ii) given on the date hereof whereupon our engagement with respect to the subjects stated herein terminated and we have no continuing obligation to advise any of you (or any successor or assign thereof) of any change in relevant fact or law subsequent to the date hereof even if such change may affect an opinion herein, (iii) delivered to you solely in connection with the subject transactions and cannot be relied upon by you or any other person for any other purpose, and (iv) an expression of our professional judgement as to the legal issues expressly stated herein and in consequence thereof we are not a guarantor or insurer of such expression of professional judgement or of the outcome of any legal dispute that may arise with respect to any subject matter herein contained; and (b) each of the Owners of the Bonds, Regions Bank, as trustee, Stifel, Nicolaus & Company, Incorporated, and RBC Capital Markets, LLC, has not had any attorney-client relationship with Maynard Nexsen PC with respect to the subject transaction or any matter referenced herein.

Faithfully yours,

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX G-1

BORROWER CONTINUING DISCLOSURE AGREEMENT

CONTINUING DISCLOSURE AGREEMENT

THIS CONTINUING DISCLOSURE AGREEMENT (the “Agreement”) dated as of June 1, 2024, is executed and delivered by **CHF – HORIZONS II, L.L.C.**, an Alabama limited liability company (the “Borrower”), and **REGIONS BANK**, an Alabama banking corporation (the “Dissemination Agent”), in connection with the issuance by **THE EDUCATIONAL BUILDING AUTHORITY OF THE CITY OF HOMEWOOD**, an Alabama public nonprofit corporation (the “Authority”), of its \$[PAR-C] Revenue Bonds (CHF – Horizons II, L.L.C. Student Housing & Parking Project at Samford University) Tax-Exempt Series 2024-C (the “Series 2024C Bonds”), and its \$[PAR-D] Revenue Bonds (CHF – Horizons II, L.L.C. Student Housing & Parking Project at Samford University) Taxable Series 2024-D (the “Series 2024D Bonds” and, together with the Series 2024C Bonds, the “Series 2024 Bonds”). The Series 2024 Bonds are being issued pursuant to the Indenture as defined below.

AGREEMENT

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

Section 1. Purpose of the Disclosure Agreement. This Agreement is being executed and delivered by the Borrower and the Dissemination Agent for the benefit of the Owners and Beneficial Owners, defined below, of the Series 2024 Bonds and in order to assist RBC Capital Markets, LLC (the “Representative”) acting on its own behalf and on behalf of Stifel, Nicolaus & Company, Incorporated (together, the “Underwriters”), in complying with the Rule, as defined below. The Borrower and the Dissemination Agent acknowledge that the Authority has undertaken no responsibility with respect to any reports, notices or disclosures provided or required to be provided under this Agreement, and has no liability to any Person, including, without limitation, any Owner or Beneficial Owner of the Series 2024 Bonds, with respect to any such reports, notices or disclosures.

Section 2. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Agreement unless otherwise defined herein, the following capitalized terms shall have the following meanings:

“*Affiliation Agreement*” means the Affiliation Agreement by and between the University and the Borrower dated the date of issuance of the Series 2024 Bonds.

“*Annual Report*” means any Annual Report provided by the Borrower pursuant to, and as described in, Sections 3 and 4 of this Agreement.

“*Beneficial Owner*” or “*Owner*” means any Person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Series 2024 Bonds (including Persons holding Series 2024 Bonds through nominees, depositories or other intermediaries); or (b) is treated as the owner of any Series 2024 Bonds for federal income tax purposes.

“*Bond Trustee*” means Regions Bank, an Alabama banking corporation, in its capacity as trustee under the Indenture.

“*Dissemination Agent*” means Regions Bank, acting in its capacity as dissemination agent hereunder, or any successor dissemination agent designated in writing by the Borrower and which has filed with the Bond Trustee a written acceptance of such designation.

“*EMMA*” means the Electronic Municipal Market Access system of the Municipal Securities Rulemaking Board as provided at <http://www.emma.msrb.org>, or any similar system that is acceptable to or as may be specified by the Securities and Exchange Commission from time to time.

“Financial Obligation” shall mean (a) a debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of (a) or (b). The term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

“Fiscal Year” means the period of 12 consecutive months beginning July 1 and ending on June 30, or such 12-month period as may be designated by the Borrower as the Fiscal Year of the Borrower.

“Indenture” means, collectively, the Trust Indenture dated as of June 1, 2024, by and between the Authority and the Bond Trustee, as supplemented and amended by the Series 2024C Supplemental Indenture and the Series 2024D Supplemental Indenture, and as the same may be further supplemented or amended from time to time.

“Lease Agreement” means the CHF – Horizons II, L.L.C. Project Bond Lease Agreement dated as of June 1, 2024 between the Authority and the Borrower as the same may from time to time be supplemented or amended.

“Listed Events” means any of the events listed in Section 5(a) of this Agreement.

“Rule” means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“State” means the State of Alabama.

“University” means Samford University, an Alabama nonprofit corporation.

Section 3. Provision of Annual Reports; Other Reporting Requirements.

(a) The Borrower shall provide, or shall cause the Dissemination Agent to provide, not later than one hundred eighty (180) days after the end of each Fiscal Year, to EMMA, an Annual Report in the appropriate format required by law or applicable regulation which is consistent with the requirements of Section 4 of this Agreement. In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Agreement. If the Fiscal Year changes, the Borrower shall notify the Dissemination Agent and the Bond Trustee in writing of such change.

(b) Not later than fifteen (15) business days prior to the date specified in Section 3(a) above for providing the Annual Reports to EMMA, the Borrower shall provide such portion of the Annual Report to the Dissemination Agent. If, by such date, the Dissemination Agent has not received a copy of an Annual Report as set forth in Section 4 below, the Dissemination Agent shall contact the Borrower to determine if the Borrower is in compliance with Section 3(a) above.

(c) If the Dissemination Agent is unable to verify that an Annual Report has been provided to EMMA by the date required in Section 3(a) above, the Dissemination Agent shall send a notice to EMMA in substantially the form attached hereto as Exhibit A.

(d) The Dissemination Agent shall, if and to the extent the Borrower has provided the Annual Report to the Dissemination Agent, file a report with the Bond Trustee (if the Dissemination Agent is not the Bond Trustee) certifying that the Annual Report has been provided pursuant to this Agreement and stating the date it was provided.

(e) Additionally, the Dissemination Agent shall provide to EMMA, no later than fifteen (15) days after the receipt thereof by the Dissemination Agent, any reports from a Financial Consultant (as defined in the Indenture) received in connection with the Fixed Charges Coverage Ratio as described in the Lease Agreement.

(f) All documents filed on EMMA shall be provided in a searchable, electronic format and shall be accompanied by identifying information as prescribed by the SEC and MSRB.

(g) The Borrower shall promptly file written notice of any change in its Fiscal Year with the MSRB.

Section 4. Content of Annual Report. The Annual Report of the Borrower shall contain or include by reference the following information:

(a) Commencing with the Fiscal Year ending June 30, 2026 the audited financial statements of the Borrower for the Series 2024 Project for such Fiscal Year, prepared in accordance with generally accepted accounting principles for nonprofit corporations as promulgated from time to time by the Financial Accounting Standards Board.

The audited financial statements described above may be included by specific reference to other documents, including official statements of debt issues with respect to which the Borrower is an “obligated person” (as defined by the Rule), which have been filed with EMMA. If the document included by reference is a final limited offering memorandum, it must be available from the Municipal Securities Rulemaking Board. The Borrower shall clearly identify each such other document so included by reference.

(b) A certification of, or an independent auditor’s report on supplementary information with respect to, the Fixed Charges Coverage Ratio for the immediately preceding Fiscal Year, commencing with the Fiscal Year beginning July 1 of the year after Substantial Completion (as defined in the Affiliation Agreement), together with a supporting calculation of the Fixed Charges Coverage Ratio.

(c) The Dissemination Agent shall not be responsible in any manner for the content of any notice, report, certification, or other information prepared or submitted by the Borrower pursuant to this Agreement and shall have no duty or obligation to review any such notice, report, certification, or other information.

Section 5. Reporting of Significant Events.

(a) This Section 5 shall govern the giving of notices of the occurrence of any of the following events (each, a “Listed Event”):

- (i) principal and interest payment delinquencies;
- (ii) non-payment related defaults, if material;
- (iii) unscheduled draws on debt service reserves reflecting financial difficulty;
- (iv) unscheduled draws on credit enhancements reflecting financial difficulty;
- (v) substitution of credit or liquidity providers, or their failure to perform;

(vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Series 2024C Bonds, or other material events affecting the tax status of the Series 2024C Bonds;

- (vii) modifications to rights of Owners, if material;
- (viii) bond calls, if material, and tender offers;
- (ix) defeasances;

(x) release, substitution or sale of property securing repayment of the Series 2024 Bonds, if material;

(xi) rating changes;

(xii) bankruptcy, insolvency, receivership or similar event of the Borrower. For purposes of this clause (xii), any such event shall be considered to have occurred when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Borrower in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Borrower, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Borrower;

(xiii) the consummation of a merger, consolidation, or acquisition involving the Borrower or the sale of all or substantially all of the assets of the Borrower, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(xiv) appointment of a successor or additional trustee or the change of name of a trustee, if material;

(xv) incurrence of a Financial Obligation of the Borrower, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Borrower, any of which affect Owners, if material; and

(xvi) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Borrower, any of which reflect financial difficulties.

(b) The Dissemination Agent shall, within five business days of obtaining actual knowledge of the occurrence of a Listed Event or an event that might constitute a Listed Event, provide the Borrower with written notice. The Dissemination Agent shall not be deemed to have actual knowledge of those items listed in clause (ii), (vi), (vii), (x), (xi), (xii), (xiii), (xv) or (xvi) above without the Dissemination Agent having received written notice of such event.

(c) Whenever the Borrower obtains knowledge of the occurrence of a Listed Event or an event that might constitute a Listed Event, because of a notice from the Dissemination Agent pursuant to Section 5(b) above or otherwise, the Borrower shall, within five business days after obtaining such knowledge and in any event no more than seven business days after the occurrence of such event, determine if such event is in fact a Listed Event and provide the Dissemination Agent with written notice pursuant to subsections (d) or (e) below, as applicable; provided that, for the avoidance of doubt, the Borrower is only required to so notify and instruct the Dissemination Agent pursuant to subsection (e) below if it obtained such knowledge of the occurrence of a Listed Event or an event that might constitute a Listed Event because of a notice from the Dissemination Agent given in accordance with Section 5(b) above.

(d) If the Borrower determines that an event is a Listed Event, the Borrower shall so notify the Dissemination Agent in writing and instruct the Dissemination Agent to report the occurrence pursuant to subsection (f) below. Such notice shall include sufficient information concerning the Listed Event to enable the Dissemination Agent to report the occurrence.

(e) If the Borrower determines that an event is not a Listed Event, the Borrower shall so notify the Dissemination Agent in writing and instruct the Dissemination Agent not to report the occurrence pursuant to subsection (f) below.

(f) If the Dissemination Agent has been instructed by the Borrower to report the occurrence of a Listed Event, the Dissemination Agent shall file a notice of such occurrence with EMMA within five business days of its receipt of such instructions from the Borrower. Notwithstanding the foregoing, notice of Listed Events described in clauses (a)(viii) and (ix) above need not be given under this Section any earlier than the notice (if any) of the underlying event is given to the Owners of affected Series 2024 Bonds pursuant to the Indenture.

Section 6. Termination of Reporting Obligation. Except as otherwise provided herein, the obligations under this Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Series 2024 Bonds. If the Borrower's obligations under the Lease Agreement are assumed in full by another Person, such other Person shall be responsible for compliance with this Agreement in the same manner as if it were the Borrower and the Borrower shall have no further responsibility hereunder (except with respect to obligations of the Borrower which survive the termination hereof pursuant to Section 11 hereof). If such termination or substitution occurs prior to the final maturity of the Series 2024 Bonds, the Borrower shall give notice of such termination or substitution in the same manner as for a Listed Event under Section 5(f) above.

Section 7. Dissemination Agent. The Borrower may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Borrower pursuant to this Agreement. The initial Dissemination Agent shall be Regions Bank. The Dissemination Agent may resign at any time by providing at least thirty (30) days' written notice to the Borrower, and such resignation shall be effective as of the date of the appointment of a designated Dissemination Agent.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Agreement, the Borrower and the Dissemination Agent may amend this Agreement (and the Dissemination Agent shall agree to any amendment so requested by the Borrower other than amendments increasing or affecting the obligations or duties of the Dissemination Agent, which amendments shall require the consent of the Dissemination Agent, as applicable) and any provision of this Agreement may be waived if such amendment or waiver would not, in the opinion of nationally recognized federal securities law counsel, cause the undertakings herein to violate the Rule as in effect at the time of the original issuance of the Series 2024 Bonds, after taking into account any amendments or interpretations of the Rule.

In the event of any amendment or waiver of a provision of this Agreement, the Borrower shall describe such amendment in the next Annual Report of the Borrower, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Borrower. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (a) notice of such change shall be given in the same manner as for a Listed Event under Section 5(f) above; and (b) the Annual Reports for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 9. Additional Information. Nothing in this Agreement shall be deemed to prevent the Borrower from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Agreement. If the Borrower chooses to include any information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Agreement, the Borrower shall not have any obligation under this Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 10. Default. In the event of a failure of the Borrower to comply with any provision of this Agreement, the Dissemination Agent, at the written direction of the Representative, or any Owner or Beneficial Owner of the Series 2024 Bonds (but only if and to the extent the Dissemination Agent is indemnified to its satisfaction from any costs, liability, or expense including, without limitation, fees and expenses of its attorneys, as provided in the Indenture) may, take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Borrower to comply with its obligations under this Agreement. A default under this Agreement shall not be deemed an Event of Default under the Indenture, the Lease Agreement, or the Leasehold Deed of Trust and the sole remedy under this Agreement in the event of a failure of the Borrower to comply with this Agreement shall be an action to compel performance; provided, however that nothing in this Agreement shall limit any Owner's rights under applicable federal securities laws.

Section 11. Duties, Immunities and Liabilities of Dissemination Agent.

(a) If and for so long as the Bond Trustee is acting as Dissemination Agent, the provisions of the Indenture relating to the administration of the Indenture, and all rights, privileges, and immunities of the Bond Trustee set forth therein (including, without limitation, the right to require indemnification before taking any action hereunder) apply to this Agreement and to the Dissemination Agent acting hereunder as if such provisions were fully set forth herein. The Dissemination Agent shall have only such duties as are specifically set forth in this Agreement, and no further duties or responsibilities shall be implied. Any corporation or association into which the Dissemination Agent in its individual capacity may be merged or converted or with which it may be consolidated, or any corporation or association resulting from any merger, conversion or consolidation to which the Dissemination Agent in its individual capacity shall be a party, or any corporation or association to which all or substantially all the corporate trust business of the Dissemination Agent in its individual capacity may be sold or otherwise transferred, shall be the Dissemination Agent under this Agreement without further act. The Borrower covenants and agrees to indemnify and hold the Dissemination Agent and its directors, officers, agents and employees (collectively, the "Indemnitees") harmless from and against any and all liabilities, losses, damages, fines, suits, actions, demands, penalties, costs and expenses, including out-of-pocket, incidental expenses, legal fees and expenses, the allocated costs and expenses of in-house counsel and legal staff and the costs and expenses of defending or preparing to defend against any claim ("Losses") that may be imposed on, incurred by, or asserted against, the Indemnitees or any of them for following any instruction or other direction upon which the Dissemination Agent is authorized to rely pursuant to the terms of this Agreement. In addition to any other indemnity otherwise provided, as long as the Dissemination Agent has not acted negligently, the Borrower also covenants and agrees to indemnify and hold the Indemnitees and each of them harmless from and against any and all Losses that may be imposed on, incurred by, or asserted against the Indemnitees or any of them in connection with or arising out of the Dissemination Agent's performance under this Agreement. The provisions of this Section 11 shall survive the termination of this Agreement and the resignation or removal of the Dissemination Agent for any reason. Anything in this Agreement to the contrary notwithstanding, in no event shall the Dissemination Agent be liable for special, indirect or consequential loss or damage of any kind whatsoever (including but not limited to loss profits), even if the Dissemination Agent has been advised of such loss or damage and regardless of the form of action. The obligations of the Borrower under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Series 2024 Bonds or the termination hereof.

(b) The Authority shall have no responsibility or liability in connection with the Borrower's compliance with the Rule, its filing obligations under this Agreement or in connection with the contents of such filings. The Borrower agrees to indemnify and save the Authority and the Authority Indemnified Persons (as defined in the Indenture), harmless against any loss, expense (including reasonable attorneys' fees) or liability arising out of (i) any breach by the Borrower of this Agreement, or (ii) any Annual Report or notices provided under this Agreement or any omissions therefrom.

Section 12. Notices. Any notices or communications to or among any of the parties to this Agreement may be given as follows:

If to the Borrower:

CHF – Horizons II, L.L.C.
c/o Collegiate Housing Foundation
409 Johnson Avenue
Fairhope, Alabama 36532
Telephone: (251) 928-9340
Facsimile: (251) 928-0342
Email: willgivhan@collegiatehousing.org

If to the Dissemination Agent:

Regions Bank
Attention: Corporate Trust Department
1900 5th Avenue North, 26th Floor
Birmingham, Alabama 35203
Telephone: (205) 264-6587
Facsimile: (205) 264-5264
Email: carmen.kilgore@regions.com

Any party may, by written notice to the other parties listed above, designate a different address to which subsequent notices or communications should be sent.

Section 13. Beneficiaries. This Agreement shall inure solely to the benefit of the Borrower, the Dissemination Agent, the Authority, the Authority Indemnified Persons, the Underwriters, and the Owners and Beneficial Owners from time to time of the Series 2024 Bonds and shall create no rights in any other person or entity.

Section 14. Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 15. Applicable Law. This Agreement shall be construed under the laws of the State.

Section 16. No Liability of Borrower's Member or Officers. No recourse under or upon any obligation, covenant, or agreement contained in this Agreement or in any other documents delivered in connection with the issuance of the Series 2024 Bonds, or for any claim based thereon, or under any judgment obtained against the Borrower or Collegiate Housing Foundation, or any incorporator, director, member, or officer of any successor entity, as such, or by the enforcement of any assessment or penalty or otherwise or by any legal or equitable proceeding by virtue of any constitution, rule of law or equity, or statute or otherwise or under any other circumstances, under or independent hereof, shall be had against any incorporator, director, member, or officer, as such, past, present, or future of the Borrower, either directly or through the Borrower or any successor entity, or otherwise, for the payment for or to the Borrower or any receiver thereof, of any sum that may be due and unpaid by the Borrower under this Agreement or any other documents delivered in connection with the issuance of the Series 2024 Bonds.

Section 17. Electronic Signatures. The parties agree that the electronic signature of a party to this Agreement shall be as valid as an original signature of such party and shall be effective to bind such party to this Agreement. For purposes hereof: (a) "electronic signature" means a manually signed original signature that is then transmitted by electronic means or a digital signature of an authorized representative of any party provided by AdobeSign or DocuSign (or such other digital signature provider as specified by such party) in English; and (b) "transmitted by electronic means" means sent in the form of a facsimile or sent via the internet as a portable document format ("pdf") or other replicating image attached to an electronic mail or internet message.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the Borrower and the Dissemination Agent have executed this Agreement under seal on the date and year first written above.

CHF – HORIZONS II, L.L.C., an Alabama limited liability company

By: Collegiate Housing Foundation, its sole member

By _____
William B. Givhan, President

REGIONS BANK, as Dissemination Agent

By _____

Name _____

Title _____

EXHIBIT A

NOTICE TO EMMA OF FAILURE TO FILE REPORT

Name of Authority: The Educational Building Authority of the City of Homewood

Name of Bond Issues: The Educational Building Authority of the City of Homewood (the "Authority") of its (a) \$[PAR-C] Revenue Bonds (CHF – Horizons II, L.L.C. Student Housing & Parking Project at Samford University) Tax-Exempt Series 2024C and (b) \$[PAR-D] Revenue Bonds (CHF – Horizons II, L.L.C. Student Housing & Parking Project at Samford University) Taxable Series 2024D

Name of Borrower: CHF – Horizons II, L.L.C.

Date of Issuance: June __, 2024

NOTICE IS HEREBY GIVEN that the Borrower has not provided an Annual Report with respect to the above-named Series 2024 Bonds.

Dated _____

REGIONS BANK,
on behalf of CHF – Horizons II, L.L.C.

By _____

Name _____

Title _____

cc: The Educational Building Authority of the City of Homewood and CHF – Horizons II, L.L.C.

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX G-2

UNIVERSITY CONTINUING DISCLOSURE AGREEMENT

CONTINUING DISCLOSURE AGREEMENT

THIS CONTINUING DISCLOSURE AGREEMENT (the “Agreement”) dated as of June 1, 2024, is executed and delivered by **SAMFORD UNIVERSITY**, an Alabama nonprofit corporation (the “University”) in connection with the issuance by **THE EDUCATIONAL BUILDING AUTHORITY OF THE CITY OF HOMewood**, an Alabama public nonprofit corporation (the “Authority”), of its \$[PAR-C] Revenue Bonds (CHF – Horizons II, L.L.C. Student Housing & Parking Project at Samford University) Tax-Exempt Series 2024-C (the “Series 2024C Bonds”), and its \$[PAR-D] Revenue Bonds (CHF – Horizons II, L.L.C. Student Housing & Parking Project at Samford University) Taxable Series 2024-D (the “Series 2024D Bonds” and, together with the Series 2024C Bonds, the “Series 2024 Bonds”). The Series 2024 Bonds are being issued pursuant to the Indenture as defined below:

Section 1. Purpose of Agreement. This Agreement is being executed and delivered by the University for the benefit of the Owners and Beneficial Owners, defined below, of the Series 2024 Bonds and in order to assist RBC Capital Markets, LLC (the “Representative”) acting on its own behalf and on behalf of Stifel, Nicolaus & Company, Incorporated (together, the “Underwriters”) in complying with the Rule, defined below. The University acknowledges that the Authority has undertaken no responsibility with respect to any reports, notices or disclosures provided or required to be provided under this Agreement, and has no liability to any Person, including, without limitation, any Owner or Beneficial Owner of the Series 2024 Bonds, with respect to any such reports, notices or disclosures.

Section 2. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Agreement unless otherwise defined herein, the following capitalized terms shall have the following meanings:

“*Affiliation Agreement*” means the Affiliation Agreement by and between the University and the Borrower dated the date of issuance of the Series 2024 Bonds.

“*Annual Financial Information*” shall mean the financial information and operating data with respect to the University, provided at least annually, which includes (a) updates of the information set forth in Appendix A-1 to the Official Statement; and (b) Audited Financial Statements of the University for the prior year if available on the due date set forth herein, and, if not then available, unaudited financial statements with Audited Financial Statements to be provided promptly upon becoming available.

“*Audited Financial Statements*” shall mean the University’s annual financial statements, prepared in accordance with United States generally accepted accounting principles, consistently applied, which financial statements have been audited by a firm of independent certified public accountants.

“*Beneficial Owner*” or “*Owner*” means any Person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Series 2024 Bonds (including Persons holding Series 2024 Bonds through nominees, depositories or other intermediaries); or (b) is treated as the owner of any Series 2024 Bonds for federal income tax purposes.

“*Bond Trustee*” means Regions Bank, an Alabama banking corporation, in its capacity as trustee under the Indenture.

“*Borrower*” means CHF – Horizons II, L.L.C., whose sole member is the Collegiate Housing Foundation.

“*Dissemination Agent*” shall initially mean Digital Assurance Certification, L.L.C., or any successor dissemination agent designated in writing by the University and which has filed with the University a written acceptance of such designation.

“EMMA” means the Electronic Municipal Market Access system of the Municipal Securities Rulemaking Board as provided at <http://www.emma.msrb.org>, or any similar system that is acceptable to or as may be specified by the Securities and Exchange Commission from time to time.

“Financial Obligation” shall mean (a) a debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of (a) or (b). The term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

“Fiscal Year” shall mean the twelve-month period beginning July 1 and ending June 30 of each year.

“Freshman Housing Facility” means the construction of new student housing, consisting of approximately 515 beds.

“Greek Housing Facility” means the construction of new student housing, consisting of approximately 140 beds for upper-level students and Greek organizations.

“Indenture” means, collectively, the Trust Indenture dated as of June 1, 2024, by and between the Authority and the Bond Trustee, as supplemented and amended by the Series 2024C Supplemental Indenture and the Series 2024D Supplemental Indenture, and as the same may be further supplemented or amended from time to time.

“Listed Events” shall mean any of the events listed in Section 5(a) of this Agreement.

“MSRB” shall mean the Municipal Securities Rulemaking Board, established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, as amended.

“Official Statement” shall mean the Official Statement dated _____, 2024 prepared in connection with the Series 2024 Bonds.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the SEC under the Securities Exchange Act of 1934, as heretofore amended, and as such Rule may be amended from time to time hereafter.

“SEC” shall mean the United States Securities and Exchange Commission, and any successor thereto.

“State” shall mean the State of Alabama.

“Student Housing Facilities” means, collectively, the Freshman Housing Facility and the Greek Housing Facility.

Section 3. Provision of Annual Financial Information; Other Reporting Requirements.

(a) The University shall, or shall cause the Dissemination Agent (if other than the University) to, not later than 180 days following the end of the University’s Fiscal Year, commencing with the Fiscal Year ending June 30, 2024, file with the MSRB, in an electronic format (by transmission to EMMA) and accompanied by identifying information as prescribed by the MSRB, provide to the MSRB the Annual Financial Information (by transmission to EMMA). The Annual Financial Information may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Agreement; provided, however, that the Audited Financial Statements of the University may be submitted separately from the balance of the Annual Financial Information.

(b) Not later than 15 business days prior to the date specified in Section 3(a) above for providing the Annual Financial Information to EMMA, the University shall provide the Annual Financial Information to the Dissemination Agent. If, by such date, the Dissemination Agent has not received a copy of the Annual Financial Information as set forth in Section 4 below, the Dissemination Agent shall contact the University to determine if the University is in compliance with Section 3(a) above.

(c) If the University is unable to file the Annual Financial Information with the MSRB, in an electronic format (by transmission to EMMA) by the date required in subsection (a) above, the University, or the Dissemination Agent if other than the University, shall file a notice on EMMA in substantially the form attached hereto as Exhibit A.

(d) The Dissemination Agent (if other than the University) shall, if and to the extent the University has provided the Annual Financial Information to the Dissemination Agent, file a report with the University certifying that the Annual Financial Information has been filed with the MSRB, in an electronic format (by transmission to EMMA) pursuant to this Agreement and the date provided.

(e) Additionally, the University shall provide, or cause the Dissemination Agent to provide, to EMMA, no later than forty-five (45) days after the beginning of each fall semester and spring semester a combined housing occupancy report for the Student Housing Facilities commencing with the housing occupancy report for the 2026 fall semester.

(f) Additionally, during construction of the Student Housing Facilities commencing July, 2024, the University shall provide or cause the Dissemination Agent to provide to EMMA, within 30 days of the end of each calendar month, monthly construction progress reports for the prior month regarding (i) the Freshman Housing Facility, until Substantial Completion (as defined in the Affiliation Agreement) of the Freshman Housing Facility is achieved, and (ii) the Greek Housing Facility, until Substantial Completion (as defined in the Affiliation Agreement) of the Greek Housing Facility is achieved.

(g) Additionally, if the University undertakes to construct or otherwise sponsor Additional Student Housing (as such term is defined in the Affiliation Agreement), the University will shall provide or cause the Dissemination Agent to provide to EMMA (i) a written certification of satisfaction of the minimum Fixed Charges Coverage Ratio (with supporting calculations) and (ii) a demand study from an independent consultant, as such items are required by Section 5(d) of the Affiliation Agreement.

(h) All documents filed on EMMA shall be provided in a searchable, electronic format and shall be accompanied by identifying information as prescribed by the SEC and MSRB.

(i) The University shall promptly file written notice of any change in its Fiscal Year with the MSRB.

Section 4. Content of Annual Financial Information.

(a) By 180 days following the end of the University's Fiscal Year, the University or the Dissemination Agent (if not the University) on its behalf shall submit to the MSRB the Annual Financial Information for the prior Fiscal Year, including the Audited Financial Statements (except as otherwise provided herein).

(b) Any or all of the items listed in Section 4(a) above may be included by specific reference to other documents, including official statements of debt issues of the University which have been submitted to the MSRB or the SEC. If the document included by reference is a final official statement, it must be available from the MSRB. The University shall clearly identify each such other document so included by reference.

(c) If any information described in Section 4(a) above can no longer be generated because the operations to which such information relates have been materially changed or discontinued, a statement to that effect shall satisfy the obligations of the University under this Section 4; provided, however, that the University shall, to the greatest extent feasible, provide in lieu thereof similar information with respect to any substitute or replacement operations.

Section 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, the University shall give, or cause to be given by the Dissemination Agent (if other than the University), notice of the occurrence of any of the following events, if applicable, with respect to the Series 2024 Bonds:

- (i) principal and interest payment delinquencies;
- (ii) non-payment related defaults, if material;
- (iii) unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) substitution of credit or liquidity providers, or their failure to perform;
- (vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Series 2024C Bonds, or other material events affecting the tax status of the Series 2024C Bonds;
- (vii) modifications to rights of Owners, if material;
- (viii) bond calls, if material, and tender offers;
- (ix) defeasance of Bonds;
- (x) release, substitution or sale of property securing repayment of the Series 2024 Bonds, if material;
- (xi) rating changes;
- (xii) bankruptcy, insolvency, receivership or similar event of the University, which event is considered to occur when any of the following occur: (A) the appointment of a receiver, fiscal agent, or similar officer for the University in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the University, or if such jurisdiction has been assumed by leaving the existing governing body and deneofficials or officers in possession but subject to the supervision and orders of a court or governmental authority; or (B) the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the University;
- (xiii) the consummation of a merger, consolidation or acquisition involving the University or the sale of all or substantially all of the assets of the University, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (xiv) appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (xv) incurrence of a Financial Obligation of the University, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the University, any of which affect security holders, if material; and

(xvi) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of any Financial Obligation of the University, any of which reflect financial difficulties.

(b) The Dissemination Agent (if not the University) shall, within five business days of obtaining actual knowledge of the occurrence of a Listed Event or an event that might constitute a Listed Event, provide the University with written notice. The Dissemination Agent (if not the University) shall not be deemed to have actual knowledge of those items listed in clause (ii), (vi), (vii), (x), (xi), (xii), (xiii), (xv) or (xvi) above without the Dissemination Agent having received written notice of such event.

(c) Whenever the University obtains knowledge of the occurrence of a Listed Event or an event that might constitute a Listed Event, because of a notice from the Dissemination Agent pursuant to Section 5(b) above or otherwise, the University shall, within five business days after obtaining such knowledge and in any event no more than seven business days after the occurrence of such event, determine if such event is in fact a Listed Event and provide the Dissemination Agent with written notice pursuant to subsections (d) or (e) below, as applicable.

(d) If the University determines that an event is a Listed Event, the University shall so notify the Dissemination Agent in writing and instruct the Dissemination Agent to report the occurrence pursuant to subsection (f) below. Such notice shall include sufficient information concerning the Listed Event to enable the Dissemination Agent to report the occurrence.

(e) If the University determines that an event is not a Listed Event, the University shall so notify the Dissemination Agent in writing and instruct the Dissemination Agent not to report the occurrence pursuant to subsection (f) below.

(f) If the Dissemination Agent has been instructed by the University to report the occurrence of a Listed Event, the Dissemination Agent shall file a notice of such occurrence with EMMA within five business days of its receipt of such instructions from the University. Notwithstanding the foregoing, notice of Listed Events described in clauses (a)(viii) and (ix) above need not be given under this Section any earlier than the notice (if any) of the underlying event is given to the Owners of affected Series 2024 Bonds pursuant to the Indenture.

Section 6. Termination of Reporting Obligation. The University's obligations under this Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Series 2024 Bonds. If such termination occurs prior to the final maturity of the Series 2024 Bonds, the University shall give notice of such termination in the same manner as for any of the Listed Events under Section 5(a).

Section 7. Dissemination Agent. The University may, from time to time, appoint or engage an alternate or successor Dissemination Agent to assist it in carrying out its obligations under this Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the University pursuant to this Agreement. The initial Dissemination Agent shall be Digital Assurance Certification, L.L.C. The Dissemination Agent may resign at any time by providing at least 30 days' written notice to the University, and such resignation shall be effective as of the date of the appointment of a designated Dissemination Agent.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Agreement, the University may amend this Agreement and any provision of this Agreement may be waived; provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Section 3(a), 4 or 5(a) of this Agreement, it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law or change in the identity, nature or status of the University or other obligated person with respect to the Series 2024 Bonds, or the type of business conducted;

(b) The undertaking, as amended or modified, or taking into account any such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Series 2024 Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Owners of the Series 2024 Bonds in the same manner as provided in the Indenture for amendments to the Indenture with the consent of Owners; or (ii) does not, in the opinion of a nationally recognized bond counsel impair the interests of the Owners or Beneficial Owners of the Series 2024 Bonds.

In the event of any amendment or waiver of a provision of this Agreement, the University shall describe such amendment in the next posting of Annual Financial Information and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change in accounting principles, on the presentation) of financial information or operating data being presented.

Section 9. Additional Information. Nothing in this Agreement shall be deemed to prevent the University from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communication, or including any other information in any Annual Financial Information or notice of occurrence of a Listed Event, in addition to that which is required by this Agreement. If the University chooses to include any information in any Annual Financial Information or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Agreement, the University shall have no obligation under this Agreement to update such information or include it in any future Annual Financial Information or notice of occurrence of a Listed Event.

Section 10. Remedies in Event of Default. In the event of a failure of the University to comply with any provision of this Agreement, any Owner or Beneficial Owner of the Series 2024 Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the University to comply with its obligations under this Agreement. A default under this Agreement shall not be deemed an event of default on the Series 2024 Bonds, and the sole remedy under this Agreement in the event of any failure of the University to comply with its obligations under this Agreement shall be an action to compel performance.

Section 11. Duties, Immunities and Liabilities of Dissemination Agent.

(a) The Dissemination Agent shall have only such duties as are specifically set forth in this Agreement, and no further duties or responsibilities shall be implied. Any corporation or association into which the Dissemination Agent in its individual capacity may be merged or converted or with which it may be consolidated, or any corporation or association resulting from any merger, conversion or consolidation to which the Dissemination Agent in its individual capacity shall be a party, or any corporation or association to which all or substantially all the corporate trust business of the Dissemination Agent in its individual capacity may be sold or otherwise transferred, shall be the Dissemination Agent under this Agreement without further act. The University covenants and agrees to indemnify and hold the Dissemination Agent and its directors, officers, agents and employees (collectively, the "Indemnitees") harmless from and against any and all liabilities, losses, damages, fines, suits, actions, demands, penalties, costs and expenses, including out-of-pocket, incidental expenses, legal fees and expenses, the allocated costs and expenses of in-house counsel and legal staff and the costs and expenses of defending or preparing to defend against any claim ("Losses") that may be imposed on, incurred by, or asserted against, the Indemnitees or any of them for following any instruction or other direction upon which the Dissemination Agent is authorized to rely pursuant to the terms of this Agreement. Provided the Dissemination Agent has not acted negligently, the University also covenants and agrees to indemnify and hold the Indemnitees and each of them harmless from and against any and all Losses that may be imposed on, incurred by, or asserted against the Indemnitees or any of them in connection with or arising out of the Dissemination Agent's performance under this Agreement. The provisions of this Section 11 shall survive the termination of this Agreement and the resignation or removal of the Dissemination Agent for any reason. Anything in this Agreement to the contrary notwithstanding, in no event shall the Dissemination Agent be liable for special, indirect or consequential loss or damage of any kind whatsoever (including but not limited to loss profits), even if the Dissemination Agent has been advised of such loss or damage and regardless of the form of action. The

obligations of the University under this Section 11 shall survive resignation or removal of the Dissemination Agent and payment of the Series 2024 Bonds or the termination hereof.

(b) The Authority shall have no responsibility or liability in connection with the University's compliance with the Rule, its filing obligations under this Agreement or in connection with the contents of such filings. The University agrees to indemnify and save the Authority and the Authority Indemnified Persons (as defined in the Indenture), harmless against any loss, expense (including reasonable attorneys' fees) or liability arising out of (i) any breach by the University of this Agreement, or (ii) any Annual Financial Information or notices provided under this Agreement or any omissions therefrom.

Section 12. Notices. Any notices or communications to the University or the Dissemination Agent may be given as follows:

If to the University:

Samford University
800 Lakeshore Drive
Homewood, AL 35229
Attn: Colin M. Coyne, Vice President for
Finance, Business Affairs and Strategy
Telephone: (205) 726-4037
Email: ccoyne@samford.edu

with a copy to:

Samford University
800 Lakeshore Drive
Homewood, AL 35229
Attn: General Counsel
Telephone: (205) 726-4219
Email: jhunt5@samford.edu

To the Dissemination Agent:

Digital Assurance Certification, L.L.C.
315 East Robinson Street, Suite 300
Orlando, Florida 32801
Attention: DAC Support
Telephone: (407) 515-1100
Email: support@dacbond.com

Any party may, by written notice to the other parties listed above, designate a different address or telephone number(s) to which subsequent notices or communications should be sent.

Section 13. Beneficiaries. This Agreement shall inure solely to the benefit of the University, the Authority, the Authority Indemnified Persons, the Underwriters and the Owners and Beneficial Owners from time to time of the Series 2024 Bonds and shall create no rights in any other person or entity.

Section 14. Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 15. Applicable Law. This Agreement shall be construed under the laws of the State, without reference to the choice of law principles thereof.

Section 16. Electronic Signatures. The parties agree that the electronic signature of a party to this Agreement shall be as valid as an original signature of such party and shall be effective to bind such party to this Agreement. For purposes hereof: (a) "electronic signature" means a manually signed original signature that is then transmitted by electronic means or a digital signature of an authorized representative of any party provided by AdobeSign or DocuSign (or such other digital signature provider as specified by such party) in English; and (b) "transmitted by electronic means" means sent in the form of a facsimile or sent via the internet as a portable document format ("pdf") or other replicating image attached to an electronic mail or internet message.

IN WITNESS WHEREOF, the University has executed this Agreement on the date and year first written above.

SAMFORD UNIVERSITY

By: _____
Colin M. Coyne
Vice President for Finance, Business Affairs and Strategy

EXHIBIT A

NOTICE OF FAILURE TO FILE ANNUAL FINANCIAL INFORMATION

Issuer: The Educational Building Authority of the City of Homewood

Name of Bond Issue: The Educational Building Authority of the City of Homewood (the "Authority") of its (a) \$[PAR-C] Revenue Bonds (CHF – Horizons II, L.L.C. Student Housing & Parking Project at Samford University) Tax-Exempt Series 2024C and (b) \$[PAR-D] Revenue Bonds (CHF – Horizons II, L.L.C. Student Housing & Parking Project at Samford University) Taxable Series 2024D.

Date of Issuance: June ___, 2024

NOTICE IS HEREBY GIVEN that the University has not provided Annual Financial Information with respect to the above-named Bonds as required by Section 3 of the Continuing Disclosure Agreement. The University anticipates that the Annual Financial Information will be filed by _____.

Dated: _____

By _____

Name _____

Title _____

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX H
FORM OF AFFILIATION AGREEMENT

[THIS PAGE INTENTIONALLY LEFT BLANK]

AFFILIATION AGREEMENT

June [●], 2024

between

CHF – HORIZONS II, L.L.C.

and

SAMFORD UNIVERSITY

Revenue Bonds
(CHF – Horizons II, L.L.C. Student Housing & Parking Project at Samford University)
Tax-Exempt Series 2024-C & Taxable Series 2024-D

Table of Contents

RECITALS	1
Section 1. Definitions.....	2
Section 2. Project Documents	2
Section 3. Operation of Project.....	3
Section 4. Development Services	4
(a) Construction Phase	4
(b) Compliance with Laws and Approvals	6
(c) Change Orders	6
(d) Coordination of Construction.....	6
(e) Sales Tax	6
(f) Payment of Bills for Construction	7
(g) Certifications	7
(h) Development Accounting.....	7
(i) Draw Requests	8
(j) Failure to Complete the Project on Time	8
(k) Pre-Development Phase	9
(l) Post Construction Phase.....	9
(m) Insurance and Bonds for Construction Phase.....	10
Section 5. University Support.....	10
Section 6. Utilities.....	12
Section 7. Annual Budget; NFRA Payments; Additional Subsidy Supported Indebtedness	12
Section 8. Parking Facility Operations	15
A. Operating Right.....	15
B. Parking Facility Costs and Operations	16
(a) University Obligations.....	16
(b) Audit Rights	16
(c) Parking Facility Insurance.....	17
(d) Maintenance of Parking Facility and Equipment; Effect of Damage, Destruction or Condemnation	17
(e) Licenses and Permits	18
(f) Capital Improvements	18
(g) Operating Expenses.....	18
(h) Service Contracts; Management Agreement.....	19

(i) Environmental Matters.....	19
C. Compliance with the Bond Documents.....	20
D. Default in Parking Facility Operations	20
E. Obligations Unconditional.....	21
F. Reserved Rights	21
G. Separate Rights and Obligations	22
Section 9. No Joint Venture; University Approvals	22
Section 10. Payment of Net Available Cash Flow to University.....	22
Section 11. Indemnification; Insurance	23
Section 12. Exculpated Parties.....	24
Section 13. Term; Termination	24
Section 14. Foundation Membership	24
Section 15. Membership Fee.....	25
Section 16. Purchase Option.....	25
(a) Exercise Notice.....	25
(b) Purchase Price	25
(c) Closing.....	25
(d) Title	25
(e) Closing Costs.....	25
(f) Release by the University	26
Section 17. Protecting Tax-Exempt Status of Bonds.....	26
Section 18. Limitation of University Liability.....	26
Section 19. Events of Default	26
Section 20. Notices	26
Section 21. Assignment	27
Section 22. Amendments	27
Section 23. Choice of Law	27
Section 24. Counterparts	27

Exhibits:

Exhibit A The Property	31
Exhibit B Construction Documents	33
Exhibit C University Development Costs.....	34
Exhibit D Plans and Specifications.....	1

Exhibit E Pre-Development Services.....	17
Exhibit F Project Schedule.....	18
Exhibit G Development Budget.....	19
Exhibit H Insurance	1
Exhibit I Definitions	1
Exhibit J Forms of Payment and Performance Bonds	5
Exhibit K Offsite Improvements.....	6
Exhibit L Construction Area for Offsite Imrpovements	7
Exhibit M FF&E	8

AFFILIATION AGREEMENT

THIS AFFILIATION AGREEMENT (the “**Agreement**”) entered into as of the [●] day of [●], 2024 (the “**Commencement Date**”), by and between CHF – HORIZONS II, L.L.C. (the “**Owner**”), an Alabama limited liability company of which Collegiate Housing Foundation (the “**Foundation**”), an Alabama non-profit corporation, is the sole member, and SAMFORD UNIVERSITY (the “**University**”), a non-profit corporation organized and existing under the laws of the State of Alabama (the “**State**”).

RECITALS:

WHEREAS, Owner intends to assist the University in accordance with the terms provided for in this Agreement to provide student housing and related facilities for the University’s students by financing, owning and operating the Facilities (as defined herein and collectively, the “**Project**”) and related amenities, facilities, and offsite improvements, along with associated site development, for the benefit of the students of the University on land owned by and comprising part of the campus of the University, such land (the “**Property**”) being more particularly described on Exhibit A, such Property being the same property subject to the Ground Lease (the “**Ground Lease**”) being entered into contemporaneously herewith by the University and The Educational Building Authority of the City of Homewood (the “**Authority**”), a public corporation organized and existing under Chapter 17 of Title 16, Code of Alabama, 1975 (the “**Enabling Act**”);

WHEREAS, the Facilities consist of an approximately 515-bed student housing facility for freshman students (the “**Freshman Housing Facility**”), an approximately 140-bed student housing facility for upperclassmen (the “**Greek Housing Facility**” and collectively with the Freshman Housing Facility, the “**Student Housing Facilities**”), and an approximately 540-space expansion of the existing North Parking Deck (the “**Parking Improvements**” and together with the existing North Parking Deck, the “**Parking Facility**”);

WHEREAS, the University has represented to Owner that the financing of the acquisition, development, design, construction, furnishing, installation, and equipping of the Project will provide ancillary improvements (as defined in the Enabling Act) for the benefit of the University;

WHEREAS, in consideration of Owner’s commitment to assist the University by financing, owning, and operating the Project for the benefit of the University and its students, all in accordance with the terms hereof, and in further consideration of those certain rights granted to the University herein, the University is willing to support the Project as set forth in this Agreement;

WHEREAS, the University has previously entered into certain agreements for the development, design, construction, furnishing, installation, and equipping of the Project, which are more particularly described on Exhibit B (collectively, the “**Construction Documents**”);

WHEREAS, the University has entered into an Operations and Maintenance Agreement between the University and Johnson Controls, Inc., dated as of [●], 2024 (the “**O&M Agreement**”) with respect to the provision of certain operation and maintenance services for the Project in accordance with the terms and conditions of the O&M Agreement;

WHEREAS, a portion of the cost of the acquisition, development, design, construction, furnishing, installation, and equipping of the Project will be financed through the sale of the Authority’s Revenue Bonds (CHF – Horizons II, L.L.C. Student Housing & Parking Project at Samford University), Tax-Exempt Series 2024-C and Revenue Bonds (CHF – Horizons II, L.L.C. Student Housing & Parking Project at Samford University), Taxable Series 2024-D (collectively, the “**Bonds**”) pursuant to a Trust Indenture

between the Authority and Regions Bank, as trustee (the “**Trustee**”), dated as of [●], 2024 (the “**Indenture**”), the Series 2024-C Supplemental Trust Indenture between the Authority and the Trustee dated as of [●], 2024 and the Series 2024-D Supplemental Trust Indenture between the Authority and the Trustee dated as of [●], 2024, the proceeds of which will be applied by the Authority to the acquisition, development, design, construction, furnishing, installation, and equipping of the Project;

WHEREAS, certain portions of the Project, including site work, procurement, and installation of FF&E (as defined herein), has been and/or will be constructed and installed by the University;

WHEREAS, the Project will be leased by the Authority to Owner pursuant to a Bond Lease Agreement (CHF – Horizons II, L.L.C. Project at Samford University) between the Authority and Owner dated as of [●], 2024 (the “**Lease Agreement**”) and secured by that certain Leasehold Mortgage, Assignment of Leases, Security Agreement and Fixture Filing dated as of [●], 2024 (the “**Leasehold Mortgage**”) and the other Bond Documents (as defined in the Indenture);

WHEREAS, the Student Housing Facilities will initially be managed by the University under the terms of a Management Agreement of even date herewith between Owner and the University (the “**Management Agreement**”), with certain services subcontracted to Johnson Controls, Inc. pursuant to the O&M Agreement;

NOW THEREFORE, in consideration of the foregoing recitals and the covenants and agreements set forth hereinafter and other good and valuable consideration, the parties hereto hereby agree as follows:

Section 1. **Definitions.** Capitalized terms used herein have the meanings assigned to such terms on Exhibit I or as otherwise defined herein. Defined terms used herein and not otherwise defined herein, including on Exhibit I, shall have the meanings assigned to such terms in the Bond Documents.

Section 2. **Project Documents.** Contemporaneously with the execution hereof and the issuance of the Bonds Owner will enter into the Lease Agreement with the Authority and cause the development, design, construction, furnishing, installation, and equipping of the Project and will thereafter operate the Project, all in accordance with the terms hereof and of the Bond Documents. Although the University will neither have nor assume responsibility for (i) the financial feasibility of the Project or (ii) any financing related to the Project, including the payment of any debt incurred in connection with the financing of the Project, the University has an interest in the Project being operated and maintained in a manner that is beneficial to the University and its students. In order to protect that interest, the University has reviewed and hereby approves the terms of the lease of the Property and the plan for the financing, acquisition, development, construction, furnishing, installation, equipping, and operation of the Project as provided in the following agreements:

- (a) the O&M Agreement;
- (b) the Management Agreement;
- (c) the Bond Documents; and
- (d) the Construction Documents.

All of the foregoing documents are herein collectively referred to as the “**Project Documents**.¹” In addition, the plans and specifications for the Project described on Exhibit D attached hereto have been approved by the University (the “**Plans and Specifications**”).

Notwithstanding anything herein to the contrary, the University's approval of any of the Project Documents to which it is not a party shall not be deemed to make the University a party to any such documents or cause the University to be liable for any obligations thereunder.

The University represents and warrants that the Ground Lease, the O&M Agreement, and the Construction Documents are in full force and effect, that no event of default exists thereunder, and that all amounts owed under the Construction Documents that are currently due and payable have been paid.

To secure the University's performance under this Agreement, and to provide further security in connection with the issuance of the Bonds, contemporaneously with execution of this Agreement the University shall execute a Collateral Assignment Agreement (the "**Underlying Collateral Assignment**") pursuant to which the University shall assign its interest in the O&M Agreement and Construction Documents to Owner. The University acknowledges that Owner will further assign to the Trustee, as further security for payment of the principal of and accrued interest on the Bonds and other amounts due under the Bond Documents, Owner's rights under such Underlying Collateral Assignment, and the University shall execute and deliver any consents as reasonably required by Owner and Trustee in connection with such further assignment.

Section 3. Operation of Project. During the term of this Agreement:

(a) Upon completion thereof as contemplated by this Agreement, the Project shall be maintained and operated in a high-quality manner consistent with the standards of the University's campus (the "**Campus**") and facilities and in accordance with the minimum requirements set forth in the Bond Documents;

(b) The Student Housing Facilities will be operated solely as student housing facilities and residents of the Student Housing Facilities will be limited to persons who are either (i) enrolled students of the University, (ii) attending a program presented and conducted by or on behalf of the University in furtherance of its educational mission or another organization recognized as exempt under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "**Code**") whose presence on the Campus is deemed desirable by the University for the effective provision of University's programs and services, (iii) members of the faculty or staff of the University, or (iv) enrolled students of other educational institutions that are eligible for membership in and, with the approval of the Foundation, become members of the Foundation (collectively referred to herein as "**Eligible Residents**");

(c) The Parking Facility will be operated for the benefit of Eligible Residents, faculty, and staff of the University and other individuals whose presence on the Campus is deemed desirable by the University to the effective provision of the University's programs and services at the Campus;

(d) Owner and the University shall enter into the Management Agreement, but Owner shall not enter into any other management agreement with respect to the Project without the University's consent; provided, that (i) any management agreement with an entity that is not a governmental entity will need to comply with Revenue Procedure 2017-13, as supplemented by subsequent guidance, or an opinion with respect to the Bonds will have to be obtained for the benefit of Owner from nationally recognized bond counsel to the effect that such subsequent management agreement does not adversely affect the tax-exempt status of the interest on the Tax-Exempt Bonds and (ii) any such subsequent manager and management contract shall comply with the terms of the Bond Documents (the University or any subsequent manager of the Project being referred to herein as the "**Manager**");

(e) The University shall occupy, operate, and maintain the Parking Facility in accordance with the terms and conditions of this Agreement.

(f) Owner will not transfer any interest in the Project to anyone other than as provided in the Bond Documents or as otherwise allowed hereunder;

(g) Owner will not refinance or encumber the Project with any additional debt other than as specifically contemplated in the Bond Documents; and

(h) Owner will not create or suffer to exist any Lien with respect to the Project except Permitted Encumbrances.

Section 4. **Development Services.** The University shall commence and pursue to Final Completion the development, design, construction, furnishing, installation, and equipping of the Project on the Property and the Offsite Improvements, in accordance with the terms of this Section 4 (the “**Development Services**”). The University may delegate or subcontract certain of its obligations with respect to the Development Services to Landmark Development Services Company, LLC (the “**Development Manager**”) and/or to other Project Vendors, but regardless of such delegation or subcontracting the University remains fully obligated and liable for performance of the Development Services hereunder.

(a) Construction Phase.

(i) The University shall perform its obligations under the Construction Documents and shall Substantially Complete each Facility, including all Offsite Improvements related to such Facility, by the Guaranteed Date for each Facility set forth on Exhibit F (as applicable to each Facility, the “**Guaranteed Date**”) at a total cost for the Project not to exceed the Total Development Cost set forth on Exhibit G (the “**Total Development Cost**”), subject to Change Orders in accordance with Section 4(c). The University shall Finally Complete each Facility and its related Offsite Improvements within a reasonable time (but in no event more than 150 days) after the occurrence of Substantial Completion of such Facility. The University shall perform the Development Services with the objective of causing the Project to be developed and completed in a good and workmanlike manner, free and clear of all mechanics’, materialmen’s and similar liens, all in accordance with the terms of the Construction Documents, the Plans and Specifications, Article 6 of the Lease Agreement, and all applicable laws, rules, regulations, codes, and permits. The University shall cause the General Contractor for each Facility to construct the applicable Facility in accordance with the Construction Services Agreement for such Facility. All building materials for the Project and any Offsite Improvements must be new and of good quality in accordance with the Construction Documents and the Plans and Specifications.

(ii) The University warrants, or shall cause to be warranted by the applicable General Contractor, that each Finally Complete Facility will be of first-class quality suitable for use by Owner for the intended purposes thereof and as an “ancillary improvement” (as defined in the Authorizing Act) and that all real and personal property provided for in the Plans and Specifications and Construction Documents is necessary or appropriate in connection with the Project. The University acknowledges that Owner is financing the construction of the Project pursuant to the terms and conditions of the Bond Documents and agrees not to knowingly take, or fail to take, any action that would cause Owner to be in breach of the representations or covenants made by Owner in the Lease Agreement, including without limitation Sections 3.02, 3.03, 4.04, 4.06, 4.07, 6.01, 6.02, 6.03, 6.04, 8.03, 8.04, 8.07, 8.08, 10.02 and 10.15 thereof. The University certifies that the Construction Documents meet the requirements set forth in this Agreement for construction of the Project.

(iii) The University shall assign qualified staff to monitor, facilitate, and provide oversight of the counterparties to the Construction Documents (the “**Project Vendors**”) to assure that the Project Vendors perform their respective obligations under the Construction Documents, performing work in accordance with the Plans and Specifications, and adhering to the Project Schedule set forth on Exhibit F (the “**Project Schedule**”) and the Development Budget set forth on Exhibit G (the “**Development Budget**”) as required by, and subject to, the terms and provisions of this Agreement. The University shall conduct regularly scheduled construction progress meetings, to which representatives of the Owner will be invited to attend and participate. The University shall provide timely notification to the Owner of any potential or actual deviations from the Plans and Specifications, Project Schedule, or Development Budget or other material issues or concerns that could impact the delivery of the Project as required by this Agreement. The University will also require appropriate representatives of the Project Vendors to be directly and actively engaged in construction administration during the construction phase of the Project, verifying whether the Project work being installed or constructed is in conformity with the Plans and Specifications. The University, Development Manager, and Architects will also participate as provided herein and in the Construction Documents in the review and approval of each Change Order request or pay application by the Project Vendors to assure each is accurate and reflects the Project work completed to date.

(iv) The University shall monitor compliance with the Development Budget and, on or before the 30th of each month beginning in July, 2024 and continuing through the month after Substantial Completion of the Project is achieved, issue written construction progress reports for the prior month to Owner that meet the requirements of the University Continuing Disclosure Agreement and, if applicable, the Owner Continuing Disclosure Agreement, compare actual costs incurred with those costs set forth in the Development Budget, and report on the progress of construction. Upon request by the Owner, the University shall provide a soft electronic copy of the initial version of the Development Budget as well as all subsequent approved versions of the Development Budget at the Project. The Development Budget includes a breakdown of the Development Budget between the individual construction and development budget for each Facility, as set forth on Exhibit G (each, a “**Facility Development Budget**”). Within each Facility Development Budget, the University may reallocate demonstrated cost savings in any particular accounting category (other than “allowance” categories and “issuance expense” categories) to other accounting categories within the same Facility Development Budget; provided, that in no event may any such change cause the total Project cost necessary to obtain Final Completion of all Facilities by their respective Guaranteed Dates to exceed the Total Development Cost. In addition, the University may reallocate funds from one Facility Development Budget to another Facility Development Budget as necessary to obtain Final Completion of each Facility by the applicable Guaranteed Date and for an aggregate Project cost not to exceed the Total Development Cost if the following requirements are satisfied: (A) after making such reallocation, sufficient funds will remain under the Facility Development Budget from which the reallocated funds are subtracted to cause Final Completion of the affected Facility by the applicable Guaranteed Date; (B) the reallocation will not cause any proceeds of the Tax-Exempt Bonds to be applied to payment of costs of the Greek Housing Facility in a manner that would cause the Tax-Exempt Bonds to become Taxable Bonds, will not affect the Foundation’s status as a Tax-Exempt Organization under 501(c)(3) of the Code, and will not cause the Project, or any individual Facility, to be ineligible for any exemption from taxes or assessments to which the Project or any individual Facility was eligible prior to such reallocation; (C) the reallocation will not cause more than 5% of the net proceeds of the Tax-Exempt Bonds to be used for non-capital costs; and (D) at least 10 Business Days prior to making such reallocation or expending any reallocated funds on the new Facility to which the funds have been reallocated, the University shall deliver written notice of the proposed reallocation of funds to the Owner and Trustee together with a certification by the University as to

the requirements of subsections (A) and (C) and an opinion of nationally recognized bond counsel as to the requirements of subsection (B).

(v) The University shall provide all furniture, fixtures, and equipment (“**FF&E**”) to be placed in the Project and order and arrange for the shipping of and installation of all FF&E as a cost of the Project. Such FF&E shall include, without limitation, that which is included in the Plans and Specifications and/or listed in Exhibit M attached hereto. Such FF&E (i) shall be new and of high quality and (ii) shall include all such items as are consistent with the minimum requirements set forth in the Bond Documents and the University’s standards for facilities similar to the Student Housing Facilities and the Parking Improvements, respectively.

(vi) The University shall cause all necessary utilities to be provided to the Project and shall connect the Project to such utilities.

(vii) The University shall cause all of the improvements described on Exhibit K (the “**Offsite Improvements**”) to be constructed as a cost of the Project within the Construction Area described on Exhibit L which is located on land owned by the University that is not part of the Property. The University does hereby grant to Owner and its successors, assigns, successors-in-title, invitees, employees, and sublessees, a non-exclusive easement on, over, across, and through the Construction Area described on Exhibit L for the purpose of development, construction, and installation of the Offsite Improvements. Such non-exclusive easement herein granted shall expire automatically upon Final Completion of the Offsite Improvements. The University shall own, operate, and maintain the Offsite Improvements at its sole cost and expense and not as an expense of the Project.

(b) Compliance with Laws and Approvals.

(i) In performance of the Development Services, the University shall comply with in all material respects, and cause the Project Vendors to comply with, the Plans and Specifications, the Construction Documents, and all applicable building codes, ordinances, laws, and regulations.

(ii) The University shall obtain, or cause to be obtained, all necessary approvals, entitlements, and permits required by various governmental agencies to have each Facility permitted for construction and certified for permanent occupancy not later than the applicable Guaranteed Date.

(c) Change Orders. The University may order, authorize, or perform any change or substitute work or materials in prosecuting the construction of the improvements (a “**Change Order**”). Notwithstanding the foregoing, any Change Order that will delay the date of Substantial Completion or change the Total Development Cost of the Project must be approved by the Owner and the Trustee. Approval of Change Orders shall not relieve the University from the obligation to obtain all other necessary approvals and permits required by various governmental agencies from complying in all material respects with the Plans and Specifications, the Construction Documents, Article 6 of the Lease Agreement, and all applicable building codes and ordinances.

(d) Coordination of Construction. To the extent reasonably possible, development and construction of the Project shall be done so as to minimize disruption of the University’s operations. The University shall coordinate all construction activities with the appropriate departments of the University.

(e) Sales Tax. The University agrees to cooperate with Owner and the Authority with respect to any exemptions from sales or use taxes which may otherwise be assessed or incurred in connection with

the purchase of materials which are incorporated into the Project or Offsite Improvements (and together with any interest, fees, penalties, or collection costs thereon with respect thereto collectively being referred to hereinafter, the “**Sales Tax**”). Without limiting the generality of the foregoing, the University shall obtain and provide to the General Contractor for each Facility an Owner’s Sales Tax exemption certificate and shall cause each General Contractor to take such actions as are necessary to provide its own properly completed Sales Tax exemption certificate based upon the Owner’s Sales Tax exemption certificate and to take advantage of applicable exemptions, all as may be required under applicable State law and regulations.

(f) **Payment of Bills for Construction.** As a construction expense, Owner covenants and agrees to pay or cause to be paid, currently as they become due and payable in accordance with the terms of the Bond Documents, as the case may be, (i) all bills for labor, materials, insurance, and bonds, (ii) all fees of Project Vendors and subcontractors, and (iii) all other costs and expenses incident to any design, development, construction, installation, and equipping of the Project and the Offsite Improvements ((i) through (iii) collectively, “**Development Costs**”) not to exceed the Total Development Cost and excluding those costs and expenses described on Exhibit C (the “**University Development Costs**”) which the University has paid or shall pay as an un-reimbursed expense of the University; provided, however, that Owner may, in good faith, in its own name, dispute and contest any such bill, fee, cost, or expense, and in such event, any such item need not be paid until adjudged to be valid. Unless so contested by Owner, all such items shall be paid by Owner or its designee within the time provided by law, and if contested, any such item shall be paid before the issuance of an execution on a final judgment with respect thereto. The University shall prepare and/or cause the Development Manager to prepare, and shall submit to Owner, all applications for payment submitted by any Project Vendors and all certificates of payment issued by all Architects in accordance with Sections 4(g) and 4(i) below.

(g) **Certifications.** Prior to Final Completion, the University shall obtain and submit to the Owner all certifications by the University and/or the Project Vendors required under the Bond Documents (all such certifications shall be expressly addressed to Owner), together with schedules, documents and copies of documents, permits and approvals, applications for payment, monthly progress reports, waivers of liens, and any other information required under the Bond Documents.

(h) **Development Accounting.** Beginning on the Commencement Date and continuing through the end of the Annual Period in which Final Completion occurs:

(i) The University shall make and keep accurate records and accounts for the Project on an accrual basis and furnish reports of such records and accounts to Owner on a monthly basis. Such records and accounts shall be sufficient for financial statements in accordance with generally accepted accounting principles, consistently applied, to be prepared from them and comply with all requirements of the Bond Documents with respect to records and accounting.

(ii) Books and records kept by the University pertaining to the Project shall always be accessible and such books and records shall be available for inspection by the Owner, the Trustee, or their respective representatives during normal business hours, within three (3) days after reasonable request therefor. Within fifteen (15) days after the Owner’s or Trustee’s written request to audit or inspect the University’s books and records pertaining to the Project, the University shall provide originals or copies of such books and records to the Owner or Trustee at the location requested by the Owner or Trustee.

(iii) The University shall prepare on an accrual basis and in accordance with generally accepted accounting principles a Project balance sheet, income statement and cash flow for each Annual Period ending during the construction period, from the University’s records and information provided by the Trustee and the Owner.

(i) Draw Requests.

(i) The University shall prepare and coordinate the submission of requisitions for payment of Development Costs in the forms required under the Bond Documents (“**Draw Requests**”), including applications and certificates for payment in accordance with the terms and provisions of the Bond Documents, as applicable, to Owner for Owner’s approval and signature, in such a manner as to cause to be paid, currently as they become due and payable in accordance with the terms of the Bond Documents, all Development Costs. Unless contested by Owner, the University shall prepare and coordinate the submission of Draw Requests in such a manner as to cause such items to be paid by the Trustee on or before the date that payment is due in accordance with Section 6.02 of the Lease Agreement.

(ii) The University will not create or suffer to exist any Lien with respect to the Project except Permitted Encumbrances. The University shall discharge or cause to be discharged of record, by bond or otherwise, within thirty (30) days following the date whereupon the University receives actual knowledge of the filing, of any mechanics or similar Lien or claim filed against the Project or any individual Facility or the Property for work or materials claimed to have been furnished at the University’s request or for the benefit of the University and/or the Project. If the University shall fail to cause such Lien or claim to be so discharged or bonded within such period, in addition to any other right or remedy the Owner may have, the Owner may discharge such Lien or claim by procuring the discharge of such Lien or claim by the deposit in a court or by bonding, and, in any event, the Owner shall be entitled, if the Owner so elects, to compel the prosecution of any action for the foreclosure of such Lien or claim by the lienor or claimant and to pay the amount of the judgment, if any, in favor of the lienor or claimant, with interest, costs, and allowances. The University shall provide the Owner with written notice of any Lien or claim filed against the Project, any individual Facility, or the Property promptly following the University’s obtaining actual knowledge of such Lien or claim.

(j) Failure to Complete the Project on Time. If Substantial Completion of either of the Student Housing Facilities has not occurred by the Guaranteed Date for such Student Housing Facility, irrespective of delays permitted or excused under the Construction Documents, and, as a result thereof, and, regardless of whether the University has used reasonable efforts to achieve timely completion of the construction of the Student Housing Facilities, and residents are unable to take occupancy in either Student Housing Facility on or before the Guaranteed Date for such Student Housing Facility, then the University shall provide and pay for the following services (the “**Alternate Services**”):

(i) alternative housing (the “**Alternate Housing**”) for each Project Resident who cannot occupy the Student Housing Facilities because Substantial Completion of an applicable portion of the Student Housing Facilities has not been achieved by the date on which such resident was contractually entitled to occupancy (in each case, the “**Project Resident Occupancy Date**”), from the applicable Project Resident Occupancy Date until the applicable resident is able to legally occupy the applicable portion of the Student Housing Facilities;

(ii) moving from the Alternate Housing to the room or apartment within the Student Housing Facilities for which the Project Resident has contracted once such space becomes legally available for occupancy; and

(iii) regular shuttle service, or other means to pay for existing public transportation, to and from the Campus for any Project Residents residing in Alternate Housing located outside the Campus.

The obligation of the University to provide Alternate Services will not affect the Residence Hall Agreement of any Project Resident which shall remain in full force and effect. Project Residents must pay, and Owner will use commercially reasonable efforts to collect, or to cause the Manager to collect, rentals in accordance with their Residence Hall Agreements during the time the University is providing Alternate Services, which rentals shall be deposited in accordance with the Bond Documents.

The University will be entitled to reimbursement for any costs of providing Alternate Services from the following:

(x) Any liquidated damages the University is able to collect under the Construction Documents; and

(y) The proceeds of any insurance award attributable to loss of rents as a result of a covered loss which delays Substantial Completion of the Student Housing Facilities.

(k) **Pre-Development Phase.** Prior to the Commencement Date, the University has provided to Owner certain valuable services (the “**Pre-Development Services**”) in connection with the Project and the Offsite Improvements. The Parties agree that the Pre-Development Services have been engaged directly by the University and that the costs of Pre-Development Services (the “**Pre-Development Reimbursables**”) have been initially funded by the University and/or certain Project Vendors. To the extent proceeds from the Bond financing are permitted to be used for such purpose and consistent with the Development Budget, Owner shall reimburse the parties who initially funded the Pre-Development Services for the costs of Pre-Development Reimbursables upon the closing of the sale of the Bonds. Upon payment of the Pre-Development Reimbursables, the University hereby transfers, assigns, and conveys to Owner all of the University’s rights in and to the Plans and Specifications and other work product attributable to all or any portion of the Pre-Development Reimbursables, whereupon the Plans and Specifications and such other work product shall be deemed to be the property of Owner; provided, however, that Owner agrees to use the Plans and Specifications only in connection with this Project and not for any other project, which agreement shall survive the termination of this Agreement.

(l) **Post Construction Phase.** Following completion of each Facility, the University shall:

(i) Secure, assign, and deliver to the Owner warranties and similar submittals required by the Construction Documents for such Facility and deliver all keys, manuals, record drawings, and maintenance information to the Owner;

(ii) Coordinate a warranty inspection at least 30 days prior to expiration of the General Contractor’s warranty period for such Facility;

(iii) Provide Owner with materials developed by the University and/or Project Vendors related to the marketing, management, and maintenance of such Facility;

(iv) Obtain and assist Owner in connection with the transition of each completed Student Housing Facility to the management thereof by the Project’s Manager; and

(v) Coordinate and assist Owner with obtaining pursuant to the applicable Design Services Agreement and deliver to Owner a copy of as-built Plans and Specifications for such Facility, which incorporate all design changes made throughout the construction phase via drawing

revisions made by requests for information, Architect's supplemental instructions, Change Orders and construction change directives, and mark-ups of the Plans and Specifications provided by the applicable General Contractor.

(m) Insurance and Bonds for Construction Phase. In addition to the insurance required under Section 11(d):

(i) The University shall request and review certificates of insurance from Project Vendors verifying the insurance required of each Project Vendor and/or its subcontractors under the Construction Documents and forward certifications received to Owner.

(ii) The University shall obtain or cause the General Contractors to obtain Performance Bonds and Payment Bonds in the form attached hereto as Exhibit J and which comply with the requirements for such bonds under the Construction Services Agreements and the Bond Documents. Each such bond shall be in the amount of the "Guaranteed Maximum Price" as defined in each Construction Services Agreement, with the applicable General Contractor as contractor and principal and the Owner as owner-obligee; together with a multiple obligee rider naming the University and the Trustee as obligees, with direction to the surety that the Trustee shall have priority over any other obligees. Each Performance Bond and Payment Bond surety shall be obligated to perform all obligations of the applicable General Contractor under the bond(s) issued by such surety.

(iii) In addition to the Performance Bonds and Payment Bonds described in Section 4(m)(ii), the University shall obtain Performance Bonds and Payment Bonds ensuring payment for and performance of certain additional work that is outside the scope of the Construction Services Agreements. Such Performance Bonds and Payment Bonds will be provided in the form attached hereto as Exhibit J in such amounts and which otherwise comply with the requirements for such bonds under this Agreement and the Bond Documents.

Section 5. University Support. It is the intention of the parties hereto that the residential portions of the Project be treated at all times on an equal basis with the University's other student housing facilities, whether or not the Project is managed by the University. To such end the University agrees to:

(a) include the Student Housing Facilities in all information and marketing materials regarding student housing that it provides to students and prospective students, including providing information about the Student Housing Facilities on the University's web site, referring students to the Student Housing Facilities, including the Student Housing Facilities in any housing lottery system it holds, and otherwise promoting the availability of the Student Housing Facilities in the same manner as its own student housing facilities;

(b) provide to students residing at the Student Housing Facilities the same services and access provided to students in the University's other housing facilities, including, without limitation, Residential Living programs, University computer networks, and Campus transportation system;

(c) operate and manage the Parking Facility on par with other parking facilities on the Campus;

(d) not construct or otherwise sponsor any additional housing facilities for University students ("Additional Student Housing") unless the following requirements are first satisfied: (A) the Project has maintained a minimum Fixed Charges Coverage Ratio of at least 1.20 as required and as reported in audited financial statements if, as and when, available; (B) the University delivers to Owner and Trustee a written certification projecting (with supporting calculations) that the Project is projected to maintain for

the remaining term of the Bonds a minimum Fixed Charges Coverage Ratio of at least 1.20 following the date the Additional Student Housing is to be placed into service when taking into account the Additional Student Housing; (C) the construction of the Additional Housing is supported by a demand study from an independent consultant approved by the University and the Owner concluding that sufficient demand exists for the additional number of beds to be constructed so as not to have a material adverse effect on the Student Housing Facilities; and (D) no Event of Default exists under the Lease Agreement. To the extent the Project has not been operational for at least two (2) Annual Periods, only clauses (B), (C), and (D) in this paragraph shall apply. The above notwithstanding, the University may renovate or replace any existing facility at any time so long as the total number of available beds remains substantially similar to its current stock of beds as exists at the time of the proposed renovation/replacement. Further, this subsection (d) shall not apply to the development of privately owned housing constructed on property owned by the University which is neither designed nor marketed specifically as University student housing;

(e) make student housing room assignments for the Student Housing Facilities consistent with the University's existing policies and procedures regarding roster management, including, for example, making room assignments consistent with student facility and roommate requests, based on housing deposit dates, and then matching, to the extent practicable, similar open bed space when specific requests cannot be accommodated;

(f) if Owner is required to engage a Financial Consultant pursuant to the Bond Documents, cooperate with Owner in implementing the recommendations of such Financial Consultant relating to the operation and management of the Project;

(g) to the extent permissible by law, maintain and diligently enforce with respect to the Student Housing Facilities its then current policies regarding withholding of grades, transcripts, and/or registration in the event of delinquencies in the payment of fees under the Residence Hall Agreements;

(h) ensure that the Student Housing Facilities, the Parking Facility, and the Property shall be subject, at all times during the term hereof, to the jurisdiction of the University's police department to the same extent that such jurisdiction exists elsewhere on the Campus;

(i) comply with the requirements of the University Continuing Disclosure Agreement and assist Owner with its continuing disclosure obligations under the Owner Continuing Disclosure Agreement by providing it with such information about the University or the Project that Owner may need to comply with any such obligations, including but not limited to demographic and statistical information about its enrollment, on-campus housing, its general financial stability, and the occupancy rates for the Student Housing Facilities;

(j) in the event the Project is not being managed by the University, (A) implement procedures to assist students in applying for residence at the Student Housing Facilities, (B) assist where possible in the collection of fees, (C) where appropriate, facilitate the use of financial aid for permitted expenditures, (D) permit Owner to advertise the Student Housing Facilities on the Campus and its website and by posting reasonably sized advertising literature on bulletin boards in the University's facilities that are available for public announcements, and (E) permit Owner to maintain space on the Campus at a site determined by the University for a staffed display; and

(k) grant such utility, access, and other easements over, across, and under the real property of the University as in the reasonable judgement of Owner is necessary for the construction and operation of the Project.

Section 6. **Utilities.** Throughout the term of this Agreement the University shall provide or shall make application for, obtain and pay for, and be solely responsible for provision of, electric power[, water, sewer, natural gas, and internet/telecom service] required, used, or consumed in or with respect to the Project (the “**Utility Services**”). The University shall cause submeters for the Project’s Utility Services to be installed or otherwise provide a means for determining the charges for Utility Services allocable to the Project that is reasonably acceptable to Owner. The University shall submit invoices for the Utility Services for the Student Housing Facilities to the Owner and Manager on a monthly basis, together with submeter readings or other documentation as reasonably required by Owner to verify the cost of Utility Services allocated to the Project. The actual cost of Utility Services for the Student Housing Facilities will be reimbursed to the University as an expense of the Project within 30 days after Owner’s and Manager’s receipt of each invoice and required supporting documentation. The University shall pay all costs of Utility Services for the Parking Facility in accordance with Section 8.

Section 7. **Annual Budget; NFRA Payments; Additional Subsidy Supported Indebtedness.**

(a) Owner shall cause the Manager of the Project, in consultation with Owner, to develop in good faith, in its discretion, and after consultation with the University, a line-item operation and capital budget for the Student Housing Facilities for each Annual Period (collectively, the “Annual Budgets” and each an “Annual Budget”) which sets forth among other matters usually contained in budgets of similar nature, all information required under the Bond Documents and in accordance with the Management Agreement. The Annual Budget shall also reflect the NFRA Payments to be made by the University to Owner pursuant to the Bond Documents.

(b) Commencing with the second Annual Period and for each Annual Period thereafter during which the University is not the Manager, Owner shall submit to the University for its approval a proposed Annual Budget not later than ninety (90) days prior to the commencement of each Annual Period. The University shall have up until sixty (60) days prior to the commencement of such Annual Period to give Owner notice of its approval of the Annual Budget as submitted or of its disapproval of one or more of the matters contained therein. If the University shall fail to give notice of approval or disapproval in a timely manner, then the Annual Budget as submitted shall be deemed approved. In the event that the University gives notice of its disapproval, Owner will endeavor to work with the University to promptly, in good faith, develop an Annual Budget on which they all may agree. In the event that Owner and the University fail to reach agreement not later than thirty (30) days prior to the commencement of an Annual Period, the Annual Budget for the then current Annual Period shall be implemented for the next Annual Period until agreement is reached on a new Annual Budget.

(c) During all Annual Periods in which the University is the Manager, amendments of the Annual Budget will be made in accordance with the terms of the Management Agreement. From time to time during or in respect to an Annual Period during which the University is not the Manager, Owner shall have the right to modify the Annual Budget, which amendment shall be subject to the University’s consent unless: (i) the amendment is to reflect additional Revenues or the receipt of insurance or condemnation proceeds; (ii) the amendment shall be for an amount in respect to a line item (A) that does not increase or decrease, when added to all other changes to that line item, either the original amount of that line item or an increased amount approved by the University and then in effect by more than five percent (5%), (B) that does not increase the original total amount of Expenses or an increased amount approved by the University and then in effect by more than five percent (5%); or (iii) the amendment shall be necessary to preserve life or property or comply with law. An Annual Budget for an Annual Period, as so amended, shall, after such amendment, be the Annual Budget for such Annual Period.

(d) Owner shall cause the Manager to operate the Student Housing Facilities and make expenditures in connection with the Student Housing Facilities in accordance with the Annual Budget as then in effect.

(e) The University acknowledges that there may be certain periods (e.g., the summer months) when the Revenues may be inadequate to pay all of the Expenses (collectively, the “**Shortfall Periods**” and each, a “**Shortfall Period**”) and agrees that provision should be made for the funding of any such liquidity shortfalls (collectively, the “**Shortfalls**” and each, a “**Shortfall**”) from the Revenues as received during the periods when such Revenues are more than adequate to pay all of the Expenses (collectively, the “**Surplus Periods**” and each, a “**Surplus Period**”). The University therefore authorizes Owner to make provision for such Shortfalls by arranging to have amounts deposited in the Operating Account during Surplus Periods in excess of that which is required to pay Expenses during such Surplus Periods with such excesses to be in the amounts of the anticipated Shortfalls. The University also acknowledges that the funding for a Shortfall Period in one Annual Period may be made during a Surplus Period occurring in the immediately preceding Annual Period. Owner agrees that any such funding for a Shortfall Period shall be clearly and completely identified in the Annual Budget submitted to and approved by the University.

(f) Commencing on September 18, 2025, and thereafter throughout the term of this Agreement, the University covenants and agrees to pay, for the account of the Authority and the Owner and in U.S. Currency immediately available, to the Trustee, for use as part of Pledged Revenues pursuant to the Indenture, the New Facilities Rental Allocation Payments (the “**NFRA Payments**”) in accordance with this Section 7(f).

(i) The University shall pay the NFRA Payments as follows:

(A) on or before September 18 (or the immediately preceding Business Day) in 2025 and in each year thereafter, a NFRA Payment in an amount equal to fifty percent (50%) of the amount necessary to cause the Projected Fixed Charges Coverage Ratio for the then-current Annual Period to be not less than 1.20;

(B) on or before March 18 (or the immediately preceding Business Day) in 2026 and in each year thereafter, a NFRA Payment in the amount, if any after taking into account the amount paid on the preceding September 18, necessary to be paid on such date to cause the Projected Fixed Charges Coverage Ratio for the then-current Annual Period ending June 30 to be not less than 1.20; and

(C) on or before June 18 (or the immediately preceding Business Day) in 2026 and in each year thereafter, a NFRA Payment in the amount, if any after taking into account the amounts paid on the preceding September 18 and March 18, necessary to be paid on such date to cause the Projected Fixed Charges Coverage Ratio for the then-current Annual Period ending June 30 to be not less than 1.20.

(ii) Owner shall cause the Manager to provide to the University:

(A) on or before September 1 in 2025 and in each year thereafter:

(1) a financial statement for the Student Housing Facilities for the then-current Annual Period;

(2) a determination of the Projected Fixed Charges Coverage Ratio for the then-current Annual Period; and

(3) if the Projected Fixed Charges Coverage Ratio is less than 1.20, the amount of the NFRA Payments to be made on the next succeeding September 18 and March 18 to cause the Projected Fixed Charges Coverage Ratio to be not less than 1.20.

(B) on or before March 1 in 2026 and in each year thereafter:

(1) a financial statement for the Student Housing Facilities for the then-current Annual Period; and

(2) an updated determination of the Projected Fixed Charges Coverage Ratio for the then-current Annual Period; and

(3) if the updated Projected Fixed Charges Coverage Ratio is less than 1.20, the amount of the NFRA Payment to be made on the next succeeding March 18 to cause the Projected Fixed Charges Coverage Ratio to be not less than 1.20.

(C) on or before June 1 in 2026 and in each year thereafter:

(1) a financial statement for the Student Housing Facilities for the then-current Annual Period;

(2) an updated determination of the Projected Fixed Charges Coverage Ratio for the then-current Annual Period; and

(3) if the updated Projected Fixed Charges Coverage Ratio is less than 1.20, the amount of the NFRA Payment to be made on the next succeeding June 18 to cause the Projected Fixed Charges Coverage Ratio to be not less than 1.20.

(iii) The “**Projected Fixed Charges Coverage Ratio**” means the Fixed Charges Coverage Ratio projected on the dates set forth in Sections 7(f)(ii)(a), (b), and (c) to be realized during an Annual Period.

(iv) The University covenants and agrees that the obligation of the University to make the NFRA Payments in full when due pursuant to this Agreement:

(A) is absolute, irrevocable, and unconditional without regard to any claim of the University to any right of abatement, counterclaim, set-off, recoupment, or other claim or action the University may have against the Owner, the Authority, or the Trustee; and

(B) shall constitute a general obligation of the University payable from all lawfully available funds and revenues thereof.

(g) The University may not incur Additional Subsidy Supported Indebtedness (excluding any increased NFRA payments associated with Additional Bonds issued to complete the Series 2024 C and Series 2024 D projects) without delivery of evidence of a University Pro Forma Debt Service Coverage Ratio of at least 1.10 to 1.00. For purposes of this Section 7(g):

(i) “**Additional Subsidy Supported Indebtedness**” means and includes any obligations of the University incurred after the delivery of the Affiliation Agreement for the

payment of the expenses of, and indebtedness incurred (by any Person) to finance or re-finance, any Beneficial Use Assets.

(ii) **“Average Operating Cash Flow”** means the average of the University Annual Operating Cash Flow for the most recently completed three (3) fiscal years at the time of determination;

(iii) **“Beneficial Use Assets”** means and includes all property (real, personal or mixed) which (i) the University is not assessed for ad valorem tax purposes or is not legally entitled to the possession or use of such property and (ii) the University determines that the use of such property by Persons other than the University provides special benefits and services (including without limitation facilities and services for amusement and entertainment, commercial retail or personal services, food service, hotel and lodging facilities, housing and parking) to and for the benefit of the students, employees, visitors, and constituents of the University and therefor is of benefit to the University in furtherance of the educational mission thereof.

(iv) **“Nonrecourse Indebtedness”** means any Indebtedness secured by a Lien and liability for the payment of which is effectively limited to the Property subject to such Lien with no recourse, directly or indirectly, to any other Property of the University;

(v) **“Subsidy Supported Indebtedness”** means and includes any obligations of the University for the payment of the expenses of, and indebtedness incurred (by any Person) to finance or re-finance, any Beneficial Use Assets;

(vi) **“University Annual Operating Cash Flow”** means the sum of (i) the increase (decrease) in net assets from operating activities plus any unrestricted and temporarily restricted gifts designated for future use as designated on the University's financial statements from the most prior fiscal year, plus (ii) the depreciation and interest expense (other than interest on Nonrecourse Indebtedness incurred by a limited liability company or other special purpose entity of which the University is a member or a participant) from the same fiscal year, plus (iii) the University's NFRA Payments on the Bonds and any other payments on Subsidy Supported Indebtedness then outstanding from the same fiscal year, less (iv) the University's Net Available Cash Flow on the Bonds and similar net available cash flow or surplus on any other Subsidy Supported Indebtedness from the same fiscal year; and

(vii) **“University Pro Forma Debt Service Coverage Ratio”** means the quotient of the Average Operating Cash Flow divided by the total of: (A) the University's principal due plus interest expense (other than principal and interest due on Nonrecourse Indebtedness incurred by a limited liability company or other special purpose entity of which the University is a member or a participant) during the fiscal year in which the determination is made, (B) to the extent not accounted for as debt and included in principal and interest payments above, the University's NFRA payments on the Bonds and any other payments on Subsidy Supported Indebtedness then outstanding from the prior fiscal year less the University's Net Available Cash Flow on the Bonds and any other Subsidy Supported Indebtedness from the prior fiscal year, and (C) the maximum annual fiscal year payment obligation on the Additional Subsidy Supported Indebtedness.

Section 8. **Parking Facility Operations.**

A. *Operating Right.* Owner hereby grants, and the University hereby accepts, the exclusive right to use, operate, and occupy the Parking Facility beginning on the Commencement Date and continuing until this Agreement is terminated, subject to the terms and condition set forth in this Agreement (the “**Operating**

Right"). The Operating Right extends to the entire parcel of the Property on which the Parking Facility is located, as described in Section I of Exhibit A (the "**Parking Property**"), including all improvements now or hereafter located thereon, and all fixtures, machinery, and equipment located thereon. Neither Owner nor the University shall have any right to terminate this Operating Right for any reason, including but not limited to defaults specified in Section 8D hereof, so long as any Bonds are outstanding and unpaid, other than Bonds that are deemed to have been paid in accordance with the Indenture.

B. *Parking Facility Costs and Operations.* The University recognizes, understands, and acknowledges that it is the intention hereof that all insurance, taxes (if any), operating and maintenance costs and other expenses associated with the Parking Facility be paid by the University and that, until the Bonds are fully paid, this Operating Right shall be construed to effectuate such intent. Without limiting the generality of the foregoing:

(a) University Obligations. The parties acknowledge that the Parking Improvements are not yet Substantially Complete and that, except for performance of the Development Services and as otherwise expressly described in this Agreement, the University shall have no obligations hereunder with respect to the cost of construction, operation, repair, and maintenance of the Parking Improvements prior to Substantial Completion of the Parking Improvements. Except for such excluded costs relating to construction of the Parking Improvements, the University shall pay any and all expenses incurred in connection with the use and operation of the Parking Facility, including without limitation the following:

(i) Owner shall not be required to perform any service, make any payment, or do any act or thing with respect to the Parking Facility, or the University's property located thereon. The University shall pay, as they come due and payable, all insurance premiums, maintenance costs, Operating Expenses (as defined in Section 8B(g), below) and all other charges, costs, and expenses of any nature and all penalties and interest thereon (collectively referred to herein as "**Charges**") that are assessed or imposed upon the Parking Facility or any of the University's property located thereon.

(ii) The University shall pay or reimburse Owner promptly on demand therefore all costs incurred by Owner in connection with the Parking Facility, including without limitation fees and costs charged by the Authority, reasonable legal expenses, and the costs and expenses incurred by Owner in exercising its rights under Section 8F hereof.

(iii) The University assumes complete responsibility and liability for the upkeep of the entire Parking Facility, as more particularly provided in Section 8B(d), below. At the expiration or termination of this Agreement, the University shall surrender the Parking Facility in good condition and repair.

(iv) Owner shall not be required to furnish to the University any facilities or services of any kind, including, without limitation, water, gas, sewerage, electricity, heat, and telephone or other communication service. The University shall arrange for the furnishing of all such services upon the Parking Facility and shall indemnify Owner against any liability on such account.

(b) Audit Rights.

(i) Owner may during customary business hours conduct internal audits of the books, records, and accounts of the University directly related to the Parking Facility, to the extent necessary to verify compliance with this Operating Right, or any other agreements the University enters into pursuant to the authority of this Operating Right. Audits may be made on either a continuous or periodic basis or both, maybe conducted at the University's office at the Campus or, at the option of Owner, by review of electronic records provided by the University. Audits may be

conducted by employees of Owner or by independent auditors retained by Owner, but any and all such audits shall be conducted without materially, unreasonably, or unnecessarily interrupting or interfering with the normal conduct of business affairs of the University. The University shall make available copies of its books, bank account records, other records and accounts, and such other information, in each case directly related to the Parking Facility, that Owner may reasonably request and shall otherwise cooperate with Owner and its respective authorized representatives and/or designees in connection with such audit.

(ii) The University may, at the University's sole expense, during customary business hours, conduct internal audits of the books, bank accounts, records, and accounts of the Owner directly related to the Parking Facility, including but not limited to verification of the costs incurred by Owner in the exercise of Owner's reserved rights in Section 8F. Audits may be made on either a continuous or periodic basis or both and may be conducted by employees of the University or by independent auditors retained by the University, but any and all such audits shall be conducted without materially, unreasonably, or unnecessarily interrupting or interfering with normal conduct of affairs of Owner. Owner shall make available copies of its books, bank account records, other records and accounts, and such other information, in each case directly related to the Parking Facility, that the University may reasonably request and shall otherwise cooperate with the University and its respective authorized representatives and/or designees in connection with such audit.

(c) Parking Facility Insurance. The University shall, at its sole cost and expense, at all times during the term of this Agreement, maintain in full force and effect the insurance for the Parking Facility as provided in Exhibit H.

(d) Maintenance of Parking Facility and Equipment; Effect of Damage, Destruction or Condemnation.

(i) The University shall, at all times during the term of this Agreement, keep and maintain, or cause to be kept and maintained, the Parking Property, the Parking Facility and appurtenances, and every part thereof and all personal property, and any and all buildings, other structures, or improvements that may exist on, in, or be made a part of the Parking Property, in good order and condition, ordinary wear and tear excepted, consistent with the maintenance standards for the other premises located on the Campus, and in compliance with all applicable life and safety codes and all applicable building and zoning, health, environmental, and safety ordinances and laws and all other applicable laws, rules, and regulations of the United States of America, the State, and any political subdivision or agency thereof having jurisdiction over the Parking Facility. The University shall make or cause to be made all necessary repairs to the Parking Property and the Parking Facility, interior and exterior, structural and nonstructural, ordinary and extraordinary, and foreseen and unforeseen.

(ii) If the Parking Facility is damaged or destroyed, or is taken pursuant to a proceeding in the nature of eminent domain, in whole or in part, then subject to the provisions of the Bond Documents, which shall govern at all times while they remain in effect, the University shall be entitled to the net proceeds of any insurance after payment of all expenses incurred in the collection of the gross proceeds of such insurance or condemnation award and shall apply such net proceeds, in the University's sole discretion, to the costs of repairing or replacing the Parking Facility and in the event such insurance or condemnation proceeds are not sufficient to pay the costs of such repair or replacement the University shall pay the portion of such costs as are in excess of the amount of insurance condemnation proceeds.

(e) Licenses and Permits. The University shall obtain or cause to be obtained, in the name of Owner and/or its authorized assignees and/or designees to the extent appropriate, and at the University's expense, all approvals required for the maintenance and operation of the Parking Facility as and when required under applicable law. Such licenses and permits shall include, by way of example and not limitation, licenses and permits for health and safety systems maintenance, electricity, gas, plumbing, telephone, cleaning, elevator and boiler maintenance, air conditioning maintenance, broadband and high-speed internet access and other technological services as they are developed, use of copyrighted materials (such as music and videos), and such other licenses and permits as the University deems advisable.

(f) Capital Improvements. The University shall have the right, at its sole cost and expense and without liability to Owner, to construct renovations, improvements, substantive repairs, or replacements of a capital nature; provided, however, that no such renovation, improvement, repair, or replacement shall alter the primary nature or use of the Parking Facility.

(g) Operating Expenses. The University shall pay as and when due and prior to delinquency, all expenses incurred by the University in the operation of the Parking Facility, including without limitation the following expenses (herein, "**Operating Expenses**"):

- (i) all expenses for the University's operating personnel;
- (ii) the cost of materials and supplies such as lavatory and cleaning supplies;
- (iii) the cost of replacements for tools and maintenance equipment;
- (iv) amounts paid to any manager or other independent contractors hired by or on behalf of the University for services (including full or part-time labor) and materials;
- (v) charges for Utility Services;
- (vi) the cost of repainting or otherwise redecorating any part of the Parking Facility;
- (vii) the cost of telephone service, postage, office supplies, maintenance, and repair of office equipment and similar charges related to operation of the Parking Facility;
- (viii) premiums for insurance coverage purchased by the University;
- (ix) all costs and expenses of maintaining, repairing, and replacing paving, curbs, and walkways on the Parking Property;
- (x) the cost of fuel consumed by the Parking Facility;
- (xi) the cost of normal maintenance of mechanical and electrical equipment, including heating, ventilating and air conditioning, and elevator equipment, but excluding capital expenditures;
- (xii) real estate taxes, if any;
- (xiii) the cost of casualty, liability, fidelity, rent, and all other insurance regarding the Parking Facility;
- (xiv) the cost of repair, replacement, maintenance, operation, and/or security for the Parking Facility, and all supplies, tools, materials, and equipment, whether by purchase or rental,

used in the repair, replacement, maintenance, operation and/or security of the Parking Facility, and any sales and other taxes thereon;

(xv) the cost of cleaning and janitorial services, including, without limitation, glass and window cleaning and garbage and waste collection and/or disposal;

(xvi) the cost of all interior and exterior landscaping and all temporary installations located at or within the Parking Facility;

(xvii) the cost of repairing the roof, exterior and interior walls, ceilings, foundation, floors, and floor coverings (including carpet and tiles), and

(xviii) all other fees, costs, charges, and expenses properly allocable to the repair, replacement, maintenance, operation, and/or security of the Parking Facility, in accordance with the prevailing customs and practices by the University for its other buildings.

(h) Service Contracts; Management Agreement. The University shall enter into and administer, or shall cause a contract manager to enter into and administer, all service contracts required for the proper maintenance and operational aspects of the Parking Facility, including, but not limited to, contracts for health and safety systems maintenance, transportation, audio-visual, electricity, gas, telephone, cleaning, elevator, and boiler maintenance, air conditioning maintenance, laundry and dry cleaning, cable and telecommunication, transmission data, electronic communications and distributions, broadband, high-speed internet access and other technological services as they are developed, use of copyrighted materials (such as music and videos). The University may, with prior written notice to Owner, enter into agreements for management of the Parking Facility or portions thereof. The University shall (i) provide a copy of any such management agreement to Owner and (ii) ensure that no such service contract or management agreement includes any terms which would be inconsistent with or in any way jeopardize the tax-exempt status of Collegiate Housing Foundation and does not adversely affect the tax-exempt status of the interest on the Tax-Exempt Bonds. With respect to any management agreement with an entity that is not a governmental entity, the University shall obtain and provide to Owner an opinion, from nationally recognized bond counsel for the benefit of Owner that such management agreement will comply with Revenue Procedure 2017-13 or successor guidance or that, absent compliance with such Revenue Procedure or subsequent guidance, does not adversely affect the tax-exempt status of the interest on the Tax-Exempt Bonds. If the University enters into any later management agreements(s), Owner will, promptly after submission by the University thereof to Owner for its review, and upon consultation and advice of counsel, advise whether any such later management agreement is consistent with and does not adversely affect the tax-exempt status of Collegiate Housing Foundation. Owner shall have no liability, personal or otherwise, under any such management agreement or service contract.

(i) Environmental Matters. The University covenants, represents, and warrants that, (a) except in a manner customary for and consistent with use for the purposes contemplated hereby, the University's use of the Parking Facility and the Parking Property shall not and will not involve the use, storage, generation, or disposal of Hazardous Materials, and the University shall not cause or permit any Hazardous Materials to be brought, used, stored, generated, or released, or disposed of on or about the Parking Facility or the Parking Property by the University, its agents, employees, contractors, subcontractors, or invitees, and such use of the Parking Facility and Parking Property shall be in compliance with all laws, rules, or regulations now or hereafter promulgated by any governmental authorities and applicable to the Parking Facility, the Parking Property, or the University, including, without limitation, any and all Environmental Laws. The University shall indemnify and hold Owner harmless from and against any and all damages, penalties, fines, claims, liens, suits, liabilities, costs (including clean-up costs), judgments, and expenses (including attorneys', consultants', or experts' fees and expenses of every kind and nature) suffered by or asserted against Owner, including without limitation any liability under Section 4.07 of the Lease

Agreement, as a result of any violation of this Section 8B(i). Owner shall reasonably cooperate with the University, at no cost to Owner, with respect to the University's environmental compliance activities and obligations including, for example, by responding to requests for information or requests to sign applications or documents that require the University's signature.

C. *Compliance with the Bond Documents.*

(a) The terms, covenants, and conditions of the Bond Documents are hereby incorporated in and made a part of this Agreement with the same force and effect as though set forth at length herein.

(b) Without limiting the generality of the foregoing subsection (a) or the following subsection (c), in respect of the conduct of its operations in the Parking Facility, the University shall: (i) comply with all applicable laws and ordinances in accordance with Section 10.09 of the Lease Agreement, (ii) comply with the requirements of Article 8 of the Lease Agreement with respect to the Parking Facility, (iii) comply with the covenants made by Owner as lessee in Section 10.03 of the Lease Agreement with regard to private business use of the Parking Facility, (iv) comply with Sections 10.15 and 11.01 of the Lease Agreement, and (v) use the Parking Facility in a manner that furthers the educational mission of the University and the charitable mission of Owner.

(c) The University shall not: (i) take any action inconsistent with the terms of the Bond Documents, (ii) do or permit to be done anything prohibited to Owner under the Bond Documents, or which would constitute, with or without the giving of notice or the passage of time or both, an Event of Default under the Lease Agreement, (iii) take any action that would adversely affect the validity of the Bonds or the tax-exempt status of interest on the Tax-Exempt Bonds under, or the status of Collegiate Housing Foundation as an organization described in, Section 501(c)(3) of the Code, (iv) without limiting the generality of clause (iii), lease or otherwise make available space in or the use of the Parking Facility for the benefit of any private business unless it shall deliver to Owner an opinion of nationally recognized bond counsel that doing so will not adversely affect the tax-exempt status of interest on the Tax-Exempt Bonds under, or the status of Collegiate Housing Foundation as an organization described in, Section 501(c)(3) of the Code, or (v) take any action or do or permit anything that would result in any additional cost or other liability to Owner under the Bond Documents.

(d) In the event of the termination of the Ground Lease or the Lease Agreement for any reason, then this Operating Right shall terminate coincidentally therewith without any further liability between the parties; provided, however, that if the Trustee or any successor in interest with respect to the Lease Agreement shall enter into a subsequent Lease Agreement and/or Ground Lease, then this Operating Right shall not terminate and the successor leasehold mortgagee shall, without further action, succeed to and assume the rights and obligations of Owner under this Operating Right.

D. *Default in Parking Facility Operations.* If the University shall default in the fulfillment of any of its covenants and agreements set forth herein, and such failure continues for thirty (30) days after written notice with respect to such default (which thirty (30) day period shall be reasonably extended with respect to any default that cannot reasonably be cured within such thirty (30) day period provided that the University has commenced the cure within such period and is diligently pursuing the same), then Owner shall have the right:

(a) To cure such default on behalf of the University, and hold the University liable for all costs incurred by Owner in curing such default, in which even the University shall have the obligation to pay and reimburse such costs within five (5) Business Days after Owner delivers a written demand therefor;

(b) If such default results in the occurrence of an Event of Default under the Lease Agreement, to re-enter and take possession of the Parking Facility without terminating this Operating Right, exclude

the University from possession thereof, and lease the same for the account of the University, holding the University liable for any payments or reimbursements due hereunder up to the effective date of such leasing, and for the deficiency, if any, of the amounts payable hereunder to the extent rent and other amounts collected under such new lease do not cover the payments due hereunder;

(c) If such default results in the occurrence of an Event of Default under the Lease Agreement, to terminate this Operating Right, exclude the University from possession of the Parking Facility, and hold the University liable for the balance then due hereunder (except to the extent damages are mitigated by leasing the same to a third party), in which event the rights of the University in the Parking Facility and the use and possession thereof shall terminate; and

(d) To take whatever other action at law or in equity may appear necessary or desirable to collect any amounts owed, or to enforce any obligation, covenant, or agreement of the University under this Agreement.

E. *Obligations Unconditional.* The payment and performance of all the University's obligations arising with respect to this Operating Right and the Parking Facility shall constitute general obligations of the University and are absolute, continuing, and unconditional for the entirety of the term of this Agreement. The University shall have no right to terminate this Operating Right or to withhold payment of amounts that the University is obligated to pay hereunder for any reason. The University hereby covenants that moneys in amounts sufficient to comply with its obligations with respect to this Operating Right will be made available to pay and perform such obligations throughout the term of this Agreement.

F. *Reserved Rights.* Owner retains the right to provide the following as functions in connection with the Parking Facility:

(a) Compliance with tax and federal reporting requirements under the Bond Documents, including communication with the Authority and the Trustee, with the University agreeing to furnish such information as may be reasonably requested by Owner to assist Owner in fulfilling its obligations under the Tax Agreement (as defined in the Indenture);

(b) Maintaining appropriate books and records for the Parking Facility related to the Bond financing; provided, however, that Owner shall have no responsibility for maintaining books and records with regard to the activities of the University or its manager in operating and maintaining the Parking Facility;

(c) Ultimate dominion and control over the Parking Facility, in accordance with the Bond Documents, subject to the University's rights hereunder;

(d) Monitoring compliance with the Bond Documents;

(e) Engagement of an independent auditor to prepare annual audits of Owner and overseeing the preparation of the annual audits;

(f) Compliance with continuing disclosure requirements under the Bond Documents and Owner Continuing Disclosure Agreement, with the University agreeing to assist Owner by providing Owner with such information with respect to the University as is necessary or required by the Bond Documents or applicable law to be posted on EMMA, including information concerning the Parking Facility and the operation thereof;

(g) Arranging for the calculation of arbitrage rebate payments required under the Bond Documents;

- (h) Engaging and overseeing the activities of the insurance consultant to ensure the maintenance of required insurance coverages, at the lowest possible costs;
- (i) Directing investments of Bond proceeds under the Bond Documents;
- (j) Satisfying federal tax reporting requirements for the Parking Facility and the Bonds;
- (k) Overseeing and participating in any legal proceedings or legal matters regarding the Parking Facility; and
- (l) Responding to inquiries from rating agencies, the Trustee, and the Authority.

G. *Separate Rights and Obligations.* The rights and obligations of Owner in its capacity as Owner under this Agreement and the rights and obligations of the University as user, operator, and occupant of the Parking Facility under this Agreement shall be separate from and shall not be limited by, or be deemed a limitation on, (i) the rights and obligations of Owner in its capacity as Lessee under the Lease Agreement; or (ii) the rights and obligations of Lessee in its capacity as Ground Lessor under the Ground Lease or as Manager under the Management Agreement.

Section 9. No Joint Venture; University Approvals. It is hereby acknowledged that this Agreement does not create any partnership, joint venture, or other common enterprise between Owner on the one hand and the University on the other, it being fully understood that the University has no right or responsibility regarding the operations of Owner, which are completely independent of the University, except for its obligations under this Agreement and the Management Agreement with respect to the Project. Nevertheless, it is also acknowledged and agreed that the University has an interest in the Project being developed, designed, constructed, furnished, equipped, installed, operated, and managed in manner that is beneficial to the University and its students. In order to protect those interests, in addition to the University being given the opportunity to review and approve the Project Documents as provided in Section 2 hereof, subject to the rights of the Trustee and the Authority under the Bond Documents, but notwithstanding anything else herein to the contrary, so long as the University is not in default of any of its obligations under this Agreement, the University shall have the right to review and approve any decisions Owner is required to make under the terms of the Project Documents involving the development, design, construction, furnishing, equipping, installation, operation, or management of the Project, specifically including any changes in the Manager, the Project marketing plans, and the Student Housing Facilities fees. The University's approval will also be required in connection with (i) the assignment of any rights or obligations under, or any amendments to, any of the Project Documents and (ii) any consents or approvals which Owner is required or permitted to give under any of the Project Documents.

Section 10. Payment of Net Available Cash Flow to University.

- (a) During the term of this Agreement Owner shall pay to the University, subject to the terms of the Bond Documents, an amount equal to Net Available Cash Flow.
- (b) The Net Available Cash Flow shall be payable in respect of each Annual Period in the time and manner provided under Section 6.10 of the Indenture.
- (c) If the Net Available Cash Flow for an Annual Period is zero (0) or a negative amount, no amount shall be paid to the University hereunder, and it is understood that Owner is under no obligation, express or implied, to contribute or pay the University for any such deficit in Net Available Cash Flow.
- (d) For purposes of this Agreement, the University acknowledges and agrees that Annual Budgets shall be developed or modified as provided in this Agreement and the Bond Documents and that

Owner and Manager shall, in each Annual Period, charge or cause to be charged rents and fees for the Project sufficient to ensure compliance with all of the covenants and agreements of the Authority, the University, and Owner contained in this Agreement and in the Bond Documents.

(e) Payment of all sums due to the University under this Agreement shall be made payable to the University and delivered to the University at the address shown in Section 20 hereof or at such other place as the University may notify Owner from time to time.

Section 11. **Indemnification; Insurance.**

(a) Only to the extent of Owner's rights to and ownership interest in the Project or required insurance coverage, which shall be the sole source of compensation available to any University Indemnitee, Owner hereby releases and agrees to indemnify and hold harmless the University and all of its trustees, officers, employees, directors, agents, and consultants (each, a "**University Indemnitee**") of and from any and all claims, demands, liabilities, losses, costs, or expenses for any loss, including but not limited to bodily injury (including death), personal injury, property damage, expenses, and reasonable attorneys' fees, caused by, growing out of, or otherwise happening in connection with this Agreement due to any negligent, fraudulent, or willful act or omission on the part of Owner, its agents, employees, or others working at the direction of Owner or on its behalf, or due to the application or violation of any pertinent federal, State, or local law, rule, or regulation, but excluding any liability for any criminal, tortious, or intentional acts of the University Indemnitees. This indemnification extends to the successors and assigns of Owner. This indemnification survives the expiration or termination of this Agreement and the dissolution of or, to the extent allowed by law, the bankruptcy of, Owner. This indemnification does not extend beyond the scope of this Agreement and any Construction Documents related to the Project and the work undertaken thereunder and does not extend to claims exclusively between the undersigned parties arising from the terms or regarding the interpretation of this Agreement.

(b) Upon the transfer of all of Owner's interest in the Project to the University, whether by termination of the Lease Agreement or as otherwise allowed under the terms of the Lease Agreement or this Agreement or consented to by the University, the University shall, to the full extent allowed by the laws of the State, be obligated to indemnify and hold harmless Owner, the Authority, and the Trustee, their respective trustees, members, officers, directors, agents, students, and employees, and their successors and assigns (each, an "**Owner Indemnitee**") from and against any and all claims, demands, liabilities, losses, costs, or expenses for any loss, including but not limited to bodily injury (including death), personal injury, property damage, expenses, and reasonable attorneys' fees, arising with respect to Owner's ownership of the Project or the acquisition, financing, development, design, construction, furnishing, installation, equipping, operation, or management of the Project incurred prior to or subsequent to the purchase of the Project, which obligation shall specifically include, without limitation, the obligation to reimburse Owner for any state or local taxes assessed against Owner as a result thereof, but shall exclude any costs, liabilities, damages, or expenses (i) solely related to Owner's corporate overhead or operation, (ii) to the extent such costs, liabilities, damages, or expenses are a result of the gross negligence, fraud, or willful misconduct of the Owner, or (iii) covered by the net proceeds paid to Owner for claims made under any insurance carried by Owner pursuant to the Bond Documents or Section 11(d) of this Agreement. This indemnification extends to the successors and assigns of the University's interest in the Project. This indemnification survives the expiration or termination of this Agreement and/or the Lease Agreement (or assignment of Owner's interest in the Lease Agreement to the University) and the dissolution of or, to the extent allowed by law, the bankruptcy of, the University.

(c) The University shall, to the full extent allowed by the laws of the State, indemnify and hold harmless Owner Indemnitees from and against any and all claims, demands, liabilities, losses, costs, or expenses for any loss, including but not limited to bodily injury (including death), personal injury, property

damage, expenses, and reasonable attorneys' fees, (i) arising out of the willful or negligent acts or omissions of, any misrepresentations by, or any breach of this Agreement or the other Construction Documents by the University or its Project Vendors or others working at the direction of the University or on its behalf or their respective agents, employees, subcontractors, or suppliers; (ii) arising under any Environmental Laws based on activity, events, or conditions that occurred or existed at, on, under, or near the Property or the Offsite Improvements prior to the Commencement Date; (iii) arising from the use, occupancy, or operation of the Parking Facility, as provided by this Agreement or otherwise; or (iv) arising from the application or violation of any applicable federal, State, or local law, rule, or regulation to the Parking Facility (except in any case to the extent any such costs, liability, damage, or expense is exacerbated or caused by the negligence, fraud, or willful misconduct of the Owner). This indemnification extends to the successors and assigns of the University's interest in the Project. This indemnification survives the expiration or termination of this Agreement and/or the Lease Agreement (or assignment of Owner's interest in the Lease Agreement to the University) and the dissolution of or, to the extent allowed by law, the bankruptcy of, the University.

(d) Throughout the term of this Agreement, the University shall acquire and maintain or cause to be acquired and maintained in force "University Insurance" as provided in Exhibit H. In addition, the University shall, on behalf of the Owner and the University, purchase and maintain or cause to be purchased and maintained "Project Insurance" as provided in Exhibit H. All premiums, fees and commissions related to placement and maintenance of such Project Insurance shall be paid by Owner as an expense of the Project.

Section 12. **Exculpated Parties.** Notwithstanding anything herein to the contrary, no incorporator, director, member, or officer, as such, past, present, or future of Owner or of any member thereof, nor any incorporator, director, member, or officer of any successor entity, as such, either directly or through Owner, any member thereof, or any successor entity, or otherwise (the "**Exculpated Parties**"), shall have any liability hereunder. No recourse under or upon any obligation, covenant, representation, or agreement contained in this Agreement, including any obligations of indemnity, shall be had against any of the Exculpated Parties for any liability hereunder including, without limitation, the payment for or to Owner or any receiver thereof of any sum that may be due and unpaid by Owner under this Agreement, notwithstanding the survival of any obligation of Owner beyond the term hereof.

Section 13. **Term; Termination.**

(a) This Agreement shall become effective on the Commencement Date and shall be and remain in full force and effect until the Bond Documents are discharged and satisfied in accordance with the terms thereof, provided that any agreement, contract, or obligation which by the terms thereof or hereof expressly survives the termination of this Agreement shall be and remain in full force and effect, and legally binding upon the party charged thereby, from and after termination of this Agreement until an action based thereupon shall be prohibited by law.

(b) Upon the termination of this Agreement, Owner shall convey its interest in the Project to the University in accordance with the requirements of Section 16 hereof. The provisions of this Section 13(b) shall survive the termination of this Agreement.

Section 14. **Foundation Membership.** Upon the execution hereof, the University shall be deemed to be a member of the Foundation and shall remain such a member until the termination of this Agreement. The University warrants, represents, and agrees that at all times during the term of this Agreement it shall be and remain an organization which is described in either Section 511(a)(2)(B) of the Code or Sections 501(c)(3) and 170(b)(1)(A)(ii) of the Code that is not a private foundation within Section 509 of the Code. Notwithstanding anything herein or in the Foundation's bylaws to the contrary, the

University shall in no event be liable for any obligations of the Foundation or be required to perform any obligations or take any actions as a result of being a member of the Foundation.

Section 15. **Membership Fee.** As compensation to Owner for undertaking to own and finance the Project and assuming its obligations under the Project Documents, the Foundation will be entitled to receive an amount at closing from taxable bond proceeds (or, if no taxable bonds are issued, from Project revenues as an operating expense during the first year of operation of the Project) equal to twenty-five (25) basis points of the principal amount of the Bonds issued in connection with the financing of the Project, but in no event less than \$25,000 or greater than \$100,000. In addition, the Foundation will be entitled to receive a monthly fee payable out of the revenues of the Project as an operating expense equal to one and one-half percent (1.5%) of the Project's Revenues not to exceed \$250,000 annually, as more specifically provided for in the Indenture. Owner will also be entitled to be reimbursed from the Revenues of the Project as an operating expense of the Project for all expenses incurred by it in connection with inspection of the Project, calculation and payment of rebate to the Internal Revenue Service, enforcement of the obligations of other parties to the Project Documents, and the performance of any other obligations of Owner under the Project Documents directly related to the Project.

Section 16. **Purchase Option.** Following Final Completion of the Project and throughout the remainder of the term of the Lease Agreement, University shall have the right and option to purchase and assume Owner's interest in the Project in accordance with the terms of this Section 16.

(a) **Exercise Notice.** The University may exercise such option to purchase and assume Owner's right, title, and interest in and to the Project by delivering written notice (the "**Exercise Notice**") of such exercise to Owner, the Authority, and the Trustee.

(b) **Purchase Price.** If the option to purchase and assume the Project is exercised, the purchase price of Owner's right, title, and interest in and to the Project (the "**Purchase Price**") shall be the principal balance then outstanding of all sums secured by the Leasehold Mortgage then in effect, plus any premium payable on such indebtedness, plus all interest accrued or to accrue on such indebtedness through the date of payment of such indebtedness plus any other charges due and payable under the Bond Documents. In addition, if the University exercises its option to purchase the Project at any time during the first five years of operation of the Project, the Purchase Price will include a payment to the Foundation of the amount of membership fees that the Foundation otherwise would have been due during the remainder of those first five years as provided in Section 15 of this Agreement.

(c) **Closing.** The closing of the transfer of Owner's right, title, and interest in and to the Project (the "**Closing**") shall be held on or before the date ninety (90) days after the date of the Exercise Notice, on such date and at such time and place as the University shall specify in a notice to Owner. At Closing, upon payment of the Purchase Price to the Trustee, Owner's leasehold interest in the Project shall be conveyed by an Assignment and Assumption of Lease Agreement and Bill of Sale executed by Owner and the University, and Owner shall convey its interest in the Residence Hall Agreements to Owner by execution and delivery of an Assignment of Leases containing limited warranties of title.

(d) **Title.** Upon payment of the Purchase Price, the Project shall be conveyed to the University free and clear of all loans, subject only to the Ground Lease, the Residence Hall Agreements, the Permitted Encumbrances, all matters of record affecting title to or use of the Project, and all other matters that would be disclosed by an accurate survey or inspection of the Project.

(e) **Closing Costs.** The University shall pay all recording fees for satisfaction of Owner's loans, all transfer taxes in connection with the sale of the Project, any recording fees in connection with recording of an amendment or termination of the recorded Memorandum of Lease Agreement, and all expenses

incurred by Owner in connection with the closing of the purchase of the Project. The Purchase Price shall be paid to the Trustee and (if applicable) the Foundation on behalf of Owner in cash at Closing.

(f) **Release by the University.** Upon the transfer of all of Owner's interest in the Project, whether by the expiration of the Lease Agreement, as otherwise allowed under the terms of the Bond Documents or this Agreement, or as otherwise consented to by the University, the University agrees that Owner shall be released from all obligations to University under this Agreement or any other prior agreements between University and Owner.

Section 17. Protecting Tax-Exempt Status of Bonds.

(a) Prior to any revision or modification of this Agreement, the Owner, at its expense, may seek an opinion of counsel, in form and substance satisfactory to the Owner:

(i) that the revision or modification will not adversely affect the exclusion of interest on the Tax-Exempt Bonds from gross income of the bondholders for federal income tax purposes;

(ii) that, without the deletion or modification, the Tax-Exempt Bonds will be fully or partially taxable for purposes of federal income taxation; or

(iii) that such change will adversely affect the status of the Foundation as a charitable foundation under Section 501(c)(3) of the Code.

(b) To the extent amendments, modifications, or changes to this Agreement are required by law to maintain the tax-exempt status of the Tax-Exempt Bonds, the University will consent to and execute such reasonable amendments, modifications, and changes.

(c) The University shall not intentionally act or allow any Project Vendor or others within its control to act in any way that would cause the tax-exempt status of the Tax-Exempt Bonds to be revoked or compromised.

Section 18. Limitation of University Liability. Except as provided in this Agreement, the Management Agreement, or the Bond Documents, the University shall not become obligated or liable, either directly or indirectly, for any financial or other obligation of Owner under the Bond Documents, including without limitation, the payment of any portion of the principal of, interest on, or redemption premium, if any, of the Bonds. Further, the parties understand and acknowledge that the University is not agreeing to provide any support to Owner with respect to the operations of the Project except as is specifically set forth herein or in the Management Agreement.

Section 19. Events of Default. Upon any breach of covenant or default by the University under this Agreement, or if any representation or warranty by the University in this Agreement is untrue in any material respect (each, an "**Event of Default**") then, in addition to any other rights or remedies the Owner may have in law or equity, the Owner may exercise its rights and remedies provided in the Underlying Collateral Assignment.

Section 20. Notices. All notices under this Agreement shall be in writing and sent by certified mail, postage prepaid, return receipt requested, by commercial overnight delivery service, by personal delivery, or by electronic mail to the addresses shown below and shall be deemed delivered upon actual receipt:

If to the University: Samford University
800 Lakeshore Drive
Homewood, AL 35229
Attn: Colin Coyne, Vice President for Finance,
Business Affairs, and Strategy
Telephone: (205) 726-4037
Email: ccoyne@samford.edu

With copy to: Samford University
800 Lakeshore Drive
Homewood, AL 35229
Attn: Joseph Hunt, General Counsel
Telephone: (205) 726-4219
Email: jhunt5@samford.edu

If to Owner: CHF – Horizons II, L.L.C.
c/o Collegiate Housing Foundation
409 Johnson Avenue
Fairhope, Alabama 36532
Attn: William B. Givhan
Fax: 251-928-0342
Email: willgivhan@collegiatehousing.org

Section 21. Assignment. The University covenants and agrees that: (i) it shall not, without the prior written consent of the Owner and the Trustee, assign or transfer any right, title, or interest of the University in and to this Agreement or delegate or transfer any duty or obligation of the University under this Agreement; (ii) any attempted assignment, delegation, or transfer in violation of this Section 21 shall be null and void; (iii) Owner shall collaterally assign this Agreement to the Trustee pursuant to the Borrower Security Agreement executed contemporaneously with this Agreement between Owner and the Trustee; (iv) the Trustee shall be a third-party beneficiary of the agreements and obligations of the University pursuant to this Agreement; (v) the Trustee shall have and may exercise all rights and remedies at law and in equity for the enforcement of the payment and performance by the University of the obligations thereof pursuant to this Agreement; and (vi) the University shall pay the NFRA Payments directly to the Trustee as provided in Section 7(f).

Section 22. Amendments. This Agreement may be modified, amended, or replaced if mutually agreed to by the University and the Owner. No modification, amendment, or replacement of this Agreement, and no waiver of any of its terms and conditions, shall be effective unless made in writing and duly executed by the Owner and the University. Further, without the consent of the Trustee, this Agreement shall not be modified or amended in any manner that would (i) adversely affect the excludability of interest on the Tax-Exempt Bonds from gross income for Federal income tax purposes, (ii) materially adversely affect the interests of the owners of the Bonds, or (iii) cause this Agreement to be an arrangement that is treated as giving rise to “private business use” within the meaning of Section 141 of the Code or any applicable regulation or other administrative guidance relating thereto.

Section 23. Choice of Law. This Agreement shall be governed by and construed in accordance with the laws of the State.

Section 24. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same document.

[Signatures Pages Follow]

IN WITNESS WHEREOF, the University and Owner have entered into this Agreement on the day and year first above written.

SAMFORD UNIVERSITY

By:

Colin Coyne
Title: Vice President for Finance, Business Affairs,
and Strategy

CHF – HORIZONS II, L.L.C.

By: Collegiate Housing Foundation, its sole member

By: _____
William B. Givhan, President

EXHIBIT A

THE PROPERTY

I. Parking Facility

LEASE AREA 1 NORTH PARKING DECK

A PARCEL OF REAL PROPERTY LOCATED IN THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 18, TOWNSHIP 18 SOUTH, RANGE 2 WEST AND THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 13, TOWNSHIP 18 SOUTH, RANGE 3 WEST AND LOCATED ENTIRELY ON LOT 1 ACCORDING TO THE AMENDED FINAL PLAT OF SAMFORD UNIVERSITY SURVEY AS RECORDED IN MAP BOOK PAGE 203, PAGE 61 IN THE OFFICE OF THE JUDGE OF PROBATE JEFFERSON COUNTY, ALABAMA. COMMENCE AT A FOUND PK NAIL SOUTHEAST CORNER OF SAID SECTION. SAID POINT HAVING A ALABAMA WEST STATE PLAN COORDINATE OF NORTHING: 1260074.49 EASTING: 2183201.33 THENCE RUN NORTH 00°00'00" WEST FOR 1535.83 FEET; THENCE RUN SOUTH 90°00'00" WEST FOR 57.07 FEET TO THE POINT OF BEGINNING; THENCE RUN NORTH 60°36'44" EAST FOR 169.91 FEET THENCE RUN NORTH 53°53'27" EAST FOR 224.44 FEET; THENCE RUN NORTH 61°44'51" EAST FOR 406.47 FEET TO A POINT ON THE NORTH BOUNDARY LINE OF SAID LOT 1; THENCE RUN SOUTH 87°34'56" EAST ALONG SAID BOUNDARY LINE FOR 155.36 FEET; THENCE RUN SOUTH 29°21'02" EAST FOR 109.74 FEET; THENCE RUN SOUTH 62°18'17" WEST FOR 638.27 FEET THENCE RUN SOUTH 51°55'10" WEST FOR 50.83 FEET; THENCE RUN SOUTH 41°38'45" WEST FOR 53.06 FEET; THENCE RUN SOUTH 75°27'51" WEST FOR 70.60 FEET; THENCE RUN SOUTH 71°22'44" WEST FOR 73.69 FEET; THENCE RUN NORTH 73°14'12" WEST FOR 75.24 FEET; THENCE RUN NORTH 29°23'16" WEST FOR 93.36 FEET TO THE POINT OF BEGINNING SAID TRACT OF LAND CONTAINING 159,224.11 SQ. FT. OR 3.66 ACRES MORE OR LESS.

II. Freshman Housing Facility

LEASE AREA 2 FRESHMEN HOUSING

A PARCEL OF REAL PROPERTY LOCATED IN THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER AND THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 18 TOWNSHIP 18 SOUTH, RANGE 2 WEST AND LOCATED ENTIRELY ON LOT 1 ACCORDING TO THE AMENDED FINAL PLAT OF SAMFORD UNIVERSITY SURVEY AS RECORDED IN MAP BOOK PAGE 203, PAGE 61 IN THE OFFICE OF THE JUDGE OF PROBATE JEFFERSON COUNTY, ALABAMA. COMMENCE AT A FOUND PK NAIL SOUTHEAST CORNER OF SAID SECTION. SAID POINT HAVING A ALABAMA WEST STATE PLAN COORDINATE OF NORTHING: 1260074.49 EASTING: 2183201.33 THENCE RUN NORTH 00°00'00" WEST FOR 1281.21 FEET; THENCE RUN SOUTH 90°00'00" EAST FOR 341.87 FEET TO THE POINT OF BEGINNING; THENCE RUN NORTH 62°00'09" EAST FOR 395.07 FEET; THENCE RUN SOUTH 27°59'51" EAST FOR 206.86 FEET; THENCE RUN SOUTH 62°00'09" WEST FOR 395.07 FEET; THENCE RUN NORTH 27°59'51" WEST FOR 206.86 FEET TO THE POINT OF BEGINNING. SAID TRACT OF LAND CONTAINING 81,724.18 SQ. FT. OR 1.88 ACRES MORE OR LESS.

III. Greek Housing Facility

LEASE AREA 4 GREEK HOUSING

A PARCEL OF REAL PROPERTY LOCATED IN THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 13, TOWNSHIP 18 SOUTH, RANGE 3 WEST AND LOCATED ENTIRELY ON LOT 1 ACCORDING TO THE AMENDED FINAL PLAT OF SAMFORD UNIVERSITY SURVEY AS RECORDED IN MAP BOOK PAGE 203, PAGE 61 IN THE OFFICE OF THE JUDGE OF PROBATE JEFFERSON COUNTY, ALABAMA. COMMENCE AT A FOUND PK NAIL SOUTHEAST CORNER OF SAID SECTION. SAID POINT HAVING A ALABAMA WEST STATE PLAN COORDINATE OF NORTHING: 1260074.49 EASTING: 2183201.33 THENCE RUN NORTH 00°00'00" WEST FOR 893.53 FEET; THENCE RUN SOUTH 90°00'00" WEST FOR 437.42 FEET TO THE POINT OF BEGINNING ; THENCE RUN NORTH 27°44'27" WEST FOR 180.97 FEET ;THENCE RUN NORTH 62°15'33" EAST FOR 124.30 FEET ; THENCE RUN SOUTH 27°44'23" EAST FOR 180.97 FEET; THENCE RUN SOUTH 62°15'33" WEST FOR 124.30 FEET TO THE POINT OF BEGINNING.SAID TRACT OF LAND CONTAINING 22494.52 SQ. FT. OR 0.52 ACRES MORE OR LESS.

EXHIBIT B
CONSTRUCTION DOCUMENTS

A. Freshman Housing Documents

1. Development Management Services Agreement by and between the University and Landmark Development Services Company, LLC, dated January 1, 2024
2. Construction Services Agreement by and between the University and The Robins & Morton Group, dated January 15, 2024
3. Design Services Agreement by and between the University and Perkins & Will, dated January 15, 2024

B. Greek Housing Documents

1. Development Management Services Agreement by and between the University and Landmark Development Services Company, LLC, dated January 1, 2024
2. Construction Services Agreement by and between the University and The Robins & Morton Group, dated January 15, 2024
3. Design Services Agreement by and between Lakeshore Development Interests I, LLC and Davis Architects, Inc., dated May 2, 2023 and assigned from Lakeshore Development Interests I, LLC to the University pursuant to the [Assignment Agreement] dated [●]

C. Parking Facilities Documents

1. Development Management Services Agreement by and between the University and Landmark Development Services Company, LLC, dated January 1, 2024
2. Construction Services Agreement by and between the University and The Robins & Morton Group, dated [●]
3. Design Services Agreement by and between the University and Davis Architects, Inc., dated [●]

D. Agreements Covering All Facilities

1. Installation Contract by and between the University and Johnson Controls, Inc., dated [●]
2. Operation and Maintenance Agreement by and between the University and Johnson Controls, Inc., dated [●]

EXHIBIT C
UNIVERSITY DEVELOPMENT COSTS

Utility work to turn over pad-ready sites to the General Contractors

EXHIBIT D

PLANS AND SPECIFICATIONS

Unless the context indicates otherwise, the term Plans and Specifications means the following plans and specifications, together with any revisions, supplemental drawings, shop drawings and other modifications or additions thereto as are permitted or approved in accordance with this Agreement.

I. Freshman Housing Facility

- A. Samford University First-Year Residence Hall Construction Documents Volume #1 dated March 15, 2024 as revised by Addendum #1 dated April 5, 2024 and Addendum #2 dated April 19, 2024, PW Project #214003.000 prepared by Perkins & Will – see attached plan index
- B. Samford University 1st Year Residence Hall Project Manual Addendum 1 dated April 5, 2024, PW Project #214003.000 prepared by Perkins & Will – see attached table of contents

II. Greek Housing Facility

- A. Samford University Greek Housing Phase 2 Construction Documents dated November 10, 2023 as revised by Addenda 1-6 thereto, DAI Project 4001 prepared by Davis Architects – see attached list of drawings
- B. Samford University Greek Housing Phase 2 Project Manual dated November 10, 2023, DAI Project 4001 prepared by Davis Architects – see attached table of contents

III. Parking Improvements

- A. North Parking Deck Expansion 100% Design Development Submittal Plans dated April 26, 2024, DAI Project 4016 prepared by Davis Architects – see attached list of drawings
- B. North Parking Deck Expansion Project Manual – Design Development Submittal dated April 26, 2024, DAI Project 4016 prepared by Davis Architects – see attached table of contents

I.A. Freshman Housing Facility Construction Documents Index

Sheet Index All Issuances																
Sheet Number	Sheet Name	Schematic Design 10/20/2023								Design Development 11/22/2023						
		Design Development				Schematic Design				Design Development				Schematic Design		
G1 GENERAL																
G0-00	COVER SHEET	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
G0-01	INDEX OF DRAWINGS	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
G01-01	CODE COMPLIANCE PLANS - LEVEL 301-03	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
G01-02	CODE COMPLIANCE PLANS - LEVELS 304-05	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
G11-01	UNIT TYPE MATRIX	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
D-CIVIL																
C1.1	GENERAL NOTES	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
C1.0	SITE DEMOLITION PLAN	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
C2.1	SITE LAYOUT PLAN	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
C2.12	TRAFFIC CONTROL PLAN	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
C2.13	GRAVITY PLAN	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
C2.14	DRAINAGE PLAN	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
C2.15	STORM PROFILES	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
C2.16	WALL PROFILES	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
C2.17	UTILITY PLAN	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
C2.18	EROSION CONTROL PLAN (INITIAL)	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
C2.19	EROSION CONTROL PLAN (INTERMEDIATE)	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
C2.20	EROSION CONTROL PLAN (FINAL)	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
C6.1	CIVL DETAILS	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
C6.11	CIVL DETAILS	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
D-LANDSCAPE																
L1.1	LANDSCAPE PLAN	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
L1.2	GREEN ROOF LANDSCAPE PLAN	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
L1.3	LANDSCAPE DETAILS	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
L2.1	IRRIGATION PLAN	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
L2.2	IRRIGATION DETAILS	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
L3.1	HARDSCAPE MATERIALS PLAN	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
L3.2	HARDSCAPE LAYOUT & DRAINAGE PLAN	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
L3.3	HARDSCAPE DETAILS	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A-ARCHITECTURAL																
A0-01	GENERAL NOTES, SYMBOLS & ABBREVIATIONS	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A0-02	EXTERIOR PERSPECTIVES	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A01-01	ARCHITECTURAL SITE PLAN	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A01-02	ENLARGED ARCHITECTURAL SITE PLAN	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A01-03	SITE SECTION	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-01	ROOFING - EXTERIOR PERFECTED & FLRS	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-02	ROOFING - EXTERIOR ELEVATIONS & WALLS	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-03	OVERALL FLOOR PLAN - LEVEL 01	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-04	OVERALL FLOOR PLAN - LEVEL 02	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-05	OVERALL FLOOR PLAN - LEVEL 03	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-06	OVERALL FLOOR PLAN - LEVEL 04	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-07	OVERALL FLOOR PLAN - LEVEL 05	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-08	ROOF PLAN	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-09	ATTIC PLAN	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-10	ATTIC DIMENSION CONTROL DIAGRAMS - LEVEL 01 & LEVEL 02	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-11	FLOOR PLAN - LEVEL 01 EAST	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-12	FLOOR PLAN - LEVEL 01 WEST	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-13	FLOOR PLAN - LEVEL 02 EAST	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-14	FLOOR PLAN - LEVEL 02 WEST	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-15	FLOOR PLAN - LEVEL 03 EAST	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-16	FLOOR PLAN - LEVEL 03 WEST	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-17	FLOOR PLAN - LEVEL 04 EAST	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-18	FLOOR PLAN - LEVEL 04 WEST	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-19	FLOOR PLAN - LEVEL 05 EAST	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-20	FLOOR PLAN - LEVEL 05 WEST	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-21	REFLECTED C-BUNG PLAN - LEVEL 01 WEST	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-22	REFLECTED C-BUNG PLAN - LEVEL 01 EAST	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-23	REFLECTED C-BUNG PLAN - LEVEL 02 WEST	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-24	REFLECTED C-BUNG PLAN - LEVEL 02 EAST	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-25	REFLECTED C-BUNG PLAN - LEVEL 03 WEST	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-26	REFLECTED C-BUNG PLAN - LEVEL 03 EAST	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-27	REFLECTED C-BUNG PLAN - LEVEL 04 WEST	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-28	REFLECTED C-BUNG PLAN - LEVEL 04 EAST	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-29	REFLECTED C-BUNG PLAN - LEVEL 05 WEST	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-30	REFLECTED C-BUNG PLAN - LEVEL 05 EAST	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-31	INTERIOR FINISH PLAN - LEVEL 01 WEST	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-32	INTERIOR FINISH PLAN - LEVEL 01 EAST	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-33	INTERIOR FINISH PLAN - LEVEL 02 WEST	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-34	INTERIOR FINISH PLAN - LEVEL 02 EAST	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-35	INTERIOR FINISH PLAN - LEVEL 03 WEST	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-36	INTERIOR FINISH PLAN - LEVEL 03 EAST	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-37	INTERIOR FINISH PLAN - LEVEL 04 WEST	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-38	INTERIOR FINISH PLAN - LEVEL 04 EAST	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-39	INTERIOR FINISH PLAN - LEVEL 05 WEST	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-40	INTERIOR FINISH PLAN - LEVEL 05 EAST	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-41	EXTERIOR ELEVATION DETAILS	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-42	EXTERIOR ENVELOPE DETAILS	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-43	EXTERIOR ENVELOPE DETAILS	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-44	EXTERIOR ENVELOPE DETAILS	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-45	EXTERIOR ENVELOPE DETAILS	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-46	EXTERIOR ENVELOPE PLANT DETAILS	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-47	EXTERIOR ENVELOPE PLANT DETAILS	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-48	EXTERIOR ENVELOPE PLANT DETAILS	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-49	EXTERIOR ENVELOPE PLANT DETAILS	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-50	EXTERIOR ENVELOPE PLANT DETAILS	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-51	EXTERIOR ENVELOPE PLANT DETAILS	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-52	EXTERIOR ENVELOPE PLANT DETAILS	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-53	EXTERIOR ENVELOPE PLANT DETAILS	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-54	EXTERIOR ENVELOPE PLANT DETAILS	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-55	EXTERIOR ENVELOPE PLANT DETAILS	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-56	EXTERIOR ENVELOPE PLANT DETAILS	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-57	EXTERIOR ENVELOPE PLANT DETAILS	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-58	EXTERIOR ENVELOPE PLANT DETAILS	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-59	EXTERIOR ENVELOPE PLANT DETAILS	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-60	EXTERIOR ENVELOPE PLANT DETAILS	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-61	EXTERIOR ENVELOPE PLANT DETAILS	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-62	EXTERIOR ENVELOPE PLANT DETAILS	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-63	EXTERIOR ENVELOPE PLANT DETAILS	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
A12-64	EXTERIOR ENVELOPE PLANT DETAILS	●	●	●	●	●										

SHEET INDEX ALL ISSUANCES		SHEET INDEX ALL ISSUANCES	
SHEET NUMBER	SHEET NAME	SHEET NUMBER	SHEET NAME
P10.00	P10.00 PLUMBING LEGEND	10.02	SCHEMATIC DESIGN 10.20.2023
P10.01	OVERALL PLUMBING UNDERGROUND PLAN - LEVEL 01	11.02	DESIGN DEVELOPMENT 11.22.2023
P10.01	OVERALL PLUMBING PLAN - LEVEL 01	12.02	END PACKAGE 1 12.22.2023
P10.02	OVERALL PLUMBING PLAN - LEVEL 02	11.12	PROGRESS SET 1 01.12.2024
P10.03	OVERALL PLUMBING PLAN - LEVEL 03	01.12	END PACKAGE 2 01.24.2024
P10.04	OVERALL PLUMBING PLAN - LEVEL 04	01.15	PERMIT SET 1 02.16.2024
P10.05	OVERALL PLUMBING PLAN - LEVEL 05	01.15	CONSTRUCTION SET 03.15.2024
P10.06	OVERALL PLUMBING PLAN - ROOF	01.15	INDEPENDENT SET 04.15.2024
P11.01	PLUMBING PLAN - LEVEL 01 WEST	01.02	LEVEL 01 FLOOR PLAN - POWER - SECTOR A
P11.02	PLUMBING PLAN - LEVEL 01 EAST	01.03	LEVEL 01 FLOOR PLAN - POWER - SECTOR B
P11.03	PLUMBING PLAN - LEVEL 02 WEST	01.04	LEVEL 01 FLOOR PLAN - LIGHTING - COURTYARD
P11.04	PLUMBING PLAN - LEVEL 02 EAST	01.05	LEVEL 01 FLOOR PLAN - LIGHTING - SECTOR A
P11.05	PLUMBING PLAN - LEVEL 03 WEST	01.06	LEVEL 01 FLOOR PLAN - LIGHTING - SECTOR B
P11.06	PLUMBING PLAN - LEVEL 03 EAST	01.07	LEVEL 01 FLOOR PLAN - POWER - SECTOR A
P11.07	PLUMBING PLAN - LEVEL 04 WEST	01.08	LEVEL 01 FLOOR PLAN - POWER - SECTOR B
P11.08	PLUMBING PLAN - LEVEL 04 EAST	01.09	LEVEL 01 FLOOR PLAN - LIGHTING - SECTOR A
P11.09	PLUMBING PLAN - LEVEL 04 WEST	02.01	LEVEL 01 FLOOR PLAN - LIGHTING - SECTOR B
P11.10	PLUMBING PLAN - LEVEL 04 EAST	02.02	LEVEL 01 FLOOR PLAN - POWER - SECTOR A
P11.11	PLUMBING PLAN - ROOF WEST	02.03	LEVEL 01 FLOOR PLAN - POWER - SECTOR B
P11.12	PLUMBING PLAN - ROOF EAST	02.04	LEVEL 01 FLOOR PLAN - LIGHTING - SECTOR A
P45.01	UNIT PLAN - LEVEL 01 RCU UNITS	02.05	LEVEL 01 FLOOR PLAN - LIGHTING - SECTOR B
P45.02	UNIT PLAN - DOUBLE SUITE TYPE B	02.06	LEVEL 01 FLOOR PLAN - POWER - SECTOR A
P45.03	UNIT PLAN - DOUBLE SUITE ACCESSIBLE	02.07	LEVEL 01 FLOOR PLAN - POWER - SECTOR B
P45.04	UNIT PLAN - RAUNTI TYPE B & ACCESSIBLE	02.08	LEVEL 01 FLOOR PLAN - LIGHTING - SECTOR A
P45.05	ENLARGED PLUMBING PLAN - LAUNDRY	02.09	LEVEL 01 FLOOR PLAN - LIGHTING - SECTOR B
P45.06	PLUMBING Schematic	02.10	ATTIC PLAN - ELECTRICAL
P45.07	PLUMBING DETAIL	02.11	ROOF PLAN - LIGHTING PROTECTION
P45.08	PLUMBING DIAGRAMS	02.12	LIGHTING PROTECTION DETAILS
P45.09	PLUMBING SCHEDULES	02.13	ENLARGED FLOORPLAN - ELECTRICAL
M10.00	M10.00 MECHANICAL LEGEND	02.14	ENLARGED FLOORPLAN - ELECTRICAL
M10.01	MECHANICAL GENERAL NOTES	02.15	ENLARGED FLOORPLAN - ELECTRICAL
M10.02	MECHANICAL CONTRACTS	02.16	ROOF PLAN - ELECTRICAL
M10.03	MECHANICAL CONTRACTS	02.17	FIRE ALARM RISER DIAGRAM
M10.04	MECHANICAL RISER DIAGRAMS	02.18	LEVEL 01 FLOOR PLAN - FIRE ALARM
M10.05	HYDROGEN RISER DIAGRAMS	02.19	LEVEL 01 FLOOR PLAN - FIRE ALARM
M10.06	OVERALL MECHANICAL UNDERGROUND PLAN - LEVEL 01	02.20	LEVEL 01 FLOOR PLAN - FIRE ALARM
M10.07	OVERALL MECHANICAL PLAN - LEVEL 01	02.21	LEVEL 01 FLOOR PLAN - FIRE ALARM
M10.08	OVERALL MECHANICAL PLAN - LEVEL 02	02.22	LEVEL 01 FLOOR PLAN - FIRE ALARM
M10.09	OVERALL MECHANICAL PLAN - LEVEL 03	02.23	LEVEL 01 FLOOR PLAN - FIRE ALARM
M10.10	OVERALL MECHANICAL PLAN - LEVEL 04	02.24	LEVEL 01 FLOOR PLAN - FIRE ALARM
M10.11	OVERALL MECHANICAL PLAN - LEVEL 05	02.25	LEVEL 01 FLOOR PLAN - FIRE ALARM
M10.12	OVERALL MECHANICAL PLAN - ROOF	02.26	LEVEL 01 FLOOR PLAN - FIRE ALARM
M11.01	MECHANICAL PLAN - LEVEL 01 WEST	02.27	LEVEL 01 FLOOR PLAN - FIRE ALARM
M11.02	MECHANICAL PLAN - LEVEL 01 EAST	02.28	ATTIC FLOOR PLAN - FIRE ALARM
M11.03	MECHANICAL PLAN - LEVEL 02 EAST	02.29	
M11.04	MECHANICAL PLAN - LEVEL 02 WEST	02.30	
M11.05	MECHANICAL PLAN - LEVEL 03 EAST	02.31	
M11.06	MECHANICAL PLAN - LEVEL 03 WEST	02.32	
M11.07	MECHANICAL PLAN - LEVEL 04 EAST	02.33	
M11.08	MECHANICAL PLAN - LEVEL 04 WEST	02.34	
M11.09	MECHANICAL PLAN - LEVEL 05 EAST	02.35	
M11.10	MECHANICAL PLAN - LEVEL 05 WEST	02.36	
M11.11	MECHANICAL PLAN - ROOF WEST	02.37	
M11.12	MECHANICAL PLAN - ROOF EAST	02.38	
M12.01	OVERALL MECHANICAL PIPING PLAN - LEVEL 01	02.39	
M12.02	OVERALL MECHANICAL PIPING PLAN - LEVEL 02	02.40	
M12.03	OVERALL MECHANICAL PIPING PLAN - LEVEL 03	02.41	
M12.04	OVERALL MECHANICAL PIPING PLAN - LEVEL 04	02.42	
M12.05	OVERALL MECHANICAL PIPING PLAN - LEVEL 05	02.43	
M12.06	OVERALL MECHANICAL PIPING PLAN - ROOF	02.44	
M13.01	MECHANICAL PIPING PLAN - LEVEL 01 WEST	02.45	
M13.02	MECHANICAL PIPING PLAN - LEVEL 01 EAST	02.46	
M13.03	MECHANICAL PIPING PLAN - LEVEL 02 WEST	02.47	
M13.04	MECHANICAL PIPING PLAN - LEVEL 02 EAST	02.48	
M13.05	MECHANICAL PIPING PLAN - LEVEL 03 WEST	02.49	
M13.06	MECHANICAL PIPING PLAN - LEVEL 03 EAST	02.50	
M13.07	MECHANICAL PIPING PLAN - LEVEL 04 WEST	02.51	
M13.08	MECHANICAL PIPING PLAN - LEVEL 04 EAST	02.52	
M13.09	MECHANICAL PIPING PLAN - LEVEL 05 WEST	02.53	
M13.10	MECHANICAL PIPING PLAN - LEVEL 05 EAST	02.54	
M13.11	MECHANICAL PIPING PLAN - ROOF WEST	02.55	
M13.12	MECHANICAL PIPING PLAN - ROOF EAST	02.56	
M45.01	UNIT PLAN - LEVEL 01 RCU UNITS	02.57	
M45.02	UNIT PLAN - DOUBLE SUITE TYPE B	02.58	
M45.03	UNIT PLAN - DOUBLE SUITE ACCESSIBLE	02.59	
M45.04	UNIT PLAN - DOUBLE SUITE IN THRELL W/ SHOWER	02.60	
M45.05	UNIT PLAN - RAUNTI TYPE B & ACCESSIBLE	02.61	
M45.06	UNIT PLAN - SINGLE UNIT TYPE B & ACCESSIBLE	02.62	
M60.01	MECHANICAL DETAILS	02.63	
M60.02	MECHANICAL DETAILS	02.64	
M60.03	MECHANICAL DETAILS	02.65	
M60.04	MECHANICAL DETAILS	02.66	
M60.05	MECHANICAL DETAILS	02.67	
M60.06	MECHANICAL DETAILS	02.68	
M60.07	MECHANICAL DETAILS	02.69	
M60.08	MECHANICAL DETAILS	02.70	
M60.09	MECHANICAL DETAILS	02.71	
M60.10	MECHANICAL DETAILS	02.72	
M60.11	MECHANICAL DETAILS	02.73	
M60.12	MECHANICAL DETAILS	02.74	
M60.13	MECHANICAL DETAILS	02.75	
M60.14	MECHANICAL DETAILS	02.76	
M60.15	MECHANICAL DETAILS	02.77	
M60.16	MECHANICAL DETAILS	02.78	
M60.17	MECHANICAL DETAILS	02.79	
M60.18	MECHANICAL DETAILS	02.80	
M60.19	MECHANICAL DETAILS	02.81	
M60.20	MECHANICAL DETAILS	02.82	
M60.21	MECHANICAL DETAILS	02.83	
M60.22	MECHANICAL DETAILS	02.84	
M60.23	MECHANICAL DETAILS	02.85	
M60.24	MECHANICAL DETAILS	02.86	
M60.25	MECHANICAL DETAILS	02.87	
M60.26	MECHANICAL DETAILS	02.88	
M60.27	MECHANICAL DETAILS	02.89	
M60.28	MECHANICAL DETAILS	02.90	
M60.29	MECHANICAL DETAILS	02.91	
M60.30	MECHANICAL DETAILS	02.92	
M60.31	MECHANICAL DETAILS	02.93	
M60.32	MECHANICAL DETAILS	02.94	
M60.33	MECHANICAL DETAILS	02.95	
M60.34	MECHANICAL DETAILS	02.96	
M60.35	MECHANICAL DETAILS	02.97	
M60.36	MECHANICAL DETAILS	02.98	
M60.37	MECHANICAL DETAILS	02.99	
M60.38	MECHANICAL DETAILS	02.100	
M60.39	MECHANICAL DETAILS	02.101	
M60.40	MECHANICAL DETAILS	02.102	
M60.41	MECHANICAL DETAILS	02.103	
M60.42	MECHANICAL DETAILS	02.104	
M60.43	MECHANICAL DETAILS	02.105	
M60.44	MECHANICAL DETAILS	02.106	
M60.45	MECHANICAL DETAILS	02.107	
M60.46	MECHANICAL DETAILS	02.108	
M60.47	MECHANICAL DETAILS	02.109	
M60.48	MECHANICAL DETAILS	02.110	
M60.49	MECHANICAL DETAILS	02.111	
M60.50	MECHANICAL DETAILS	02.112	
M60.51	MECHANICAL DETAILS	02.113	
M60.52	MECHANICAL DETAILS	02.114	
M60.53	MECHANICAL DETAILS	02.115	
M60.54	MECHANICAL DETAILS	02.116	
M60.55	MECHANICAL DETAILS	02.117	
M60.56	MECHANICAL DETAILS	02.118	
M60.57	MECHANICAL DETAILS	02.119	
M60.58	MECHANICAL DETAILS	02.120	
M60.59	MECHANICAL DETAILS	02.121	
M60.60	MECHANICAL DETAILS	02.122	
M60.61	MECHANICAL DETAILS	02.123	
M60.62	MECHANICAL DETAILS	02.124	
M60.63	MECHANICAL DETAILS	02.125	
M60.64	MECHANICAL DETAILS	02.126	
M60.65	MECHANICAL DETAILS	02.127	
M60.66	MECHANICAL DETAILS	02.128	
M60.67	MECHANICAL DETAILS	02.129	
M60.68	MECHANICAL DETAILS	02.130	
M60.69	MECHANICAL DETAILS	02.131	
M60.70	MECHANICAL DETAILS	02.132	
M60.71	MECHANICAL DETAILS	02.133	
M60.72	MECHANICAL DETAILS	02.134	
M60.73	MECHANICAL DETAILS	02.135	
M60.74	MECHANICAL DETAILS	02.136	
M60.75	MECHANICAL DETAILS	02.137	
M60.76	MECHANICAL DETAILS	02.138	
M60.77	MECHANICAL DETAILS	02.139	
M60.78	MECHANICAL DETAILS	02.140	
M60.79	MECHANICAL DETAILS	02.141	
M60.80	MECHANICAL DETAILS	02.142	
M60.81	MECHANICAL DETAILS	02.143	
M60.82	MECHANICAL DETAILS	02.144	
M60.83	MECHANICAL DETAILS	02.145	
M60.84	MECHANICAL DETAILS	02.146	
M60.85	MECHANICAL DETAILS	02.147	
M60.86	MECHANICAL DETAILS	02.148	
M60.87	MECHANICAL DETAILS	02.149	
M60.88	MECHANICAL DETAILS	02.150	
M60.89	MECHANICAL DETAILS	02.151	
M60.90	MECHANICAL DETAILS	02.152	
M60.91	MECHANICAL DETAILS	02.153	
M60.92	MECHANICAL DETAILS	02.154	
M60.93	MECHANICAL DETAILS	02.155	
M60.94	MECHANICAL DETAILS	02.156	
M60.95	MECHANICAL DETAILS	02.157	
M60.96	MECHANICAL DETAILS	02.158	
M60.97	MECHANICAL DETAILS	02.159	
M60.98	MECHANICAL DETAILS	02.160	
M60.99	MECHANICAL DETAILS	02.161	
M60.100	MECHANICAL DETAILS	02.162	
M60.101	MECHANICAL DETAILS	02.163	
M60.102	MECHANICAL DETAILS	02.164	
M60.103	MECHANICAL DETAILS	02.165	
M60.104	MECHANICAL DETAILS	02.166	
M60.105	MECHANICAL DETAILS	02.167	
M60.106	MECHANICAL DETAILS	02.168	
M60.107	MECHANICAL DETAILS	02.169	
M60.108	MECHANICAL DETAILS	02.170	
M60.109	MECHANICAL DETAILS	02.171	
M60.110	MECHANICAL DETAILS	02.172	
M60.111	MECHANICAL DETAILS	02.173	
M60.112	MECHANICAL DETAILS	02.174	
M60.113	MECHANICAL DETAILS	02.175	
M60.114	MECHANICAL DETAILS	02.176	
M60.115	MECHANICAL DETAILS	02.177	
M60.116	MECHANICAL DETAILS	02.178	
M60.117	MECHANICAL DETAILS	02.179	
M60.118	MECHANICAL DETAILS	02.180	
M60.119	MECHANICAL DETAILS	02.181	
M60.120	MECHANICAL DETAILS	02.182	
M60.121	MECHANICAL DETAILS	02.183	
M60.122	MECHANICAL DETAILS	02.184	
M60.123	MECHANICAL DETAILS	02.185	
M60.124	MECHANICAL DETAILS	02.186	
M60.125	MECHANICAL DETAILS	02.187	
M60.126	MECHANICAL DETAILS	02.188	
M60.127	MECHANICAL DETAILS	02.189	
M60.128	MECHANICAL DETAILS	02.190	
M60.129	MECHANICAL DETAILS	02.191	
M60.130	MECHANICAL DETAILS	02.192	
M60.131	MECHANICAL DETAILS	02.193	
M60.132	MECHANICAL DETAILS	02.194	
M60.133	MECHANICAL DETAILS	02.195	
M60.134	MECHANICAL DETAILS	02.196	
M60.135	MECHANICAL DETAILS	02.197	
M60.136	MECHANICAL DETAILS	02.198	
M60.137	MECHANICAL DETAILS	02.199	
M60.138	MECHANICAL DETAILS	02.200	
M60.139	MECHANICAL DETAILS	02.201	
M60.140	MECHANICAL DETAILS	02.202	
M60.141	MECHANICAL DETAILS	02.203	
M60.142	MECHANICAL DETAILS	02.204	
M60.143	MECHANICAL DETAILS	02.205	
M60.144	MECHANICAL DETAILS	02.206	
M60.145	MECHANICAL DETAILS	02.207	
M60.146	MECHANICAL DETAILS	02.208	
M60.147	MECHANICAL DETAILS	02.209	
M60.148	MECHANICAL DETAILS	02.210	
M60.149	MECHANICAL DETAILS	02.211	
M60.150	MECHANICAL DETAILS	02.212	
M60.151	MECHANICAL DETAILS	02.213	
M60.152	MECHANICAL DETAILS	02.214	
M60.153	MECHANICAL DETAILS	02.215	
M60.154	MECHANICAL DETAILS	02.216	
M60.155	MECHANICAL DETAILS	02.217	
M60.156	MECHANICAL DETAILS	02.218	
M60.157	MECHANICAL DETAILS	02.219	
M60.158	MECHANICAL DETAILS	02.220	
M60.159	MECHANICAL DETAILS	02.221	
M60.160	MECHANICAL DETAILS	02.222	
M60.161	MECHANICAL DETAILS	02.223	
M60.162	MECHANICAL DETAILS	02.224	
M60.163	MECHANICAL DETAILS	02.225	
M60.164	MECHANICAL DETAILS	02.226	
M60.165	MECHANICAL DETAILS	02.227	
M60.166	MECHANICAL DETAILS	02.228	
M60.167	MECHANICAL DETAILS	02.229	
M60.168	MECHANICAL DETAILS	02.230	
M60.169	MECHANICAL DETAILS	02.231	
M60.170	MECHANICAL DETAILS	02.232	
M60.171	MECHANICAL DETAILS	02.233	
M60.172	MECHANICAL DETAILS	02.234	
M60.173	MECHANICAL DETAILS	02.235	
M60.174	MECHANICAL DETAILS	02.236	
M60.175	MECHANICAL DETAILS	02.237	
M60.176	MECHANICAL DETAILS	02.238	
M60.177	MECHANICAL DETAILS	02.239	
M60.178	MECHANICAL DETAILS	02.240	
M60.179	MECHANICAL DETAILS	02.241	
M60.180	MECHANICAL DETAILS	02.242	
M60.181	MECHANICAL DETAILS	02.243	
M60.182	MECHANICAL DETAILS	02.244	
M60.183	MECHANICAL DETAILS	02.245	
M60.184	MECHANICAL DETAILS	02.246	

I.B. Freshman Housing Facility Project Manual Table of Contents

Samford University 1st Year Residence Hall Homewood, Alabama Construction Documents Addendum 1	Perkins&Will 214003.000 15 March 2024 05 April 2024
---	--

DOCUMENT 00 01 10

TABLE OF CONTENTS

INDEX OF ISSUES

Addendum 1.....	05 April 2024
Construction Documents	15 March 2024
Issue for Permit	16 February 2024

INDEX OF DISCIPLINES

A (Architectural)	P (Plumbing)	S (Structural)
C (Civil)	L (Landscape)	D (Door Hardware)
M (Mechanical)	E (Electrical)	O (Owner)

SECTION DISC NUMBER	SECTION TITLE	ISSUE DATE
------------------------	------------------	------------

VOLUME 1 OF 2

INTRODUCTORY INFORMATION

A 00 01 10	Title Page	15 Mar 2024
A 00 01 07	Professional Seals Pages.....	15 Mar 2024
	Addendum 1.....	05 Apr 2024
A 00 01 10	Table of Contents	15 Mar 2024
	Addendum 1.....	05 Apr 2024

PROCUREMENT AND CONTRACTING REQUIREMENTS GROUP

DIVISION 00 – PROCUREMENT AND CONTRACTING REQUIREMENTS

O 00 31 32	Geotechnical Data	15 Mar 2024
	Geotechnical Report	

SPECIFICATIONS GROUP

GENERAL REQUIREMENTS SUBGROUP

DIVISION 01 – GENERAL REQUIREMENTS

A 01 10 00	Summary	15 Mar 2024
A 01 13 00	Delegated Design Requirements.....	15 Mar 2024
A 01 22 00	Unit Prices.....	15 Mar 2024
A 01 25 00	Substitution Procedures	15 Mar 2024
	Substitution Request Form	
A 01 26 00	Contract Modification Procedures.....	15 Mar 2024

TABLE OF CONTENTS

00 01 10 - 1

SECTION DISC NUMBER	SECTION TITLE	ISSUE DATE
A 05 52 13	Steel Pipe and Tube Railings.....	15 Mar 2024
A 05 73 13	Glazed Decorative Metal Railings Addendum 1.....	05 Apr 2024
A 05 75 00	Decorative Formed Metal.....	15 Mar 2024
A 05 75 03	Decorative Metal Base/Trim.....	15 Mar 2024
DIVISIONS 06 – WOODS, PLASTICS, AND COMPOSITES		
A 06 10 53	Miscellaneous Carpentry.....	15 Mar 2024
A 06 16 43	Gypsum Sheathing	15 Mar 2024
A 06 41 16	Plastic-Laminate-Clad Architectural Cabinets	15 Mar 2024
A 06 41 18	Plastic-Laminate-Clad Countertops	15 Mar 2024
A 06 42 16	Wood Veneer Paneling	15 Mar 2024
A 06 61 15	Quartz Agglomerate Countertop Fabrications	15 Mar 2024
A 06 61 16	Solid Surfacing Countertops	15 Mar 2024
A 06 61 17	Solid Surfacing Shower Surrounds	15 Mar 2024
	Addendum 1.....	05 Apr 2024
A 06 64 36	Fiberglass Reinforced Plastic Paneling	15 Mar 2024
DIVISION 07 – THERMAL AND MOISTURE PROTECTION		
A 07 13 26	Self-Adhering Sheet Waterproofing.....	15 Mar 2024
A 07 14 16	Cold Fluid-Applied Waterproofing	15 Mar 2024
A 07 16 13	Polymer Modified Cement Waterproofing	15 Mar 2024
A 07 21 00	Thermal Insulation	15 Mar 2024
A 07 21 29	Sprayed Insulation	15 Mar 2024
A 07 22 19	Sloped Roof Deck Insulation	15 Mar 2024
A 07 24 19	Water-Drainage Exterior Insulation and Finish System (EIFS)	15 Mar 2024
A 07 27 26	Fluid-Applied Membrane Air Barriers	15 Mar 2024
A 07 31 13	Asphalt Composition Shingles	15 Mar 2024
	Addendum 1.....	05 Apr 2024
A 07 42 13	Aluminum Composite Wall Panels.....	15 Mar 2024
A 07 54 23	Thermoplastic-Polyolefin (TPO) Roofing.....	15 Mar 2024
A 07 62 00	Sheet Metal Flashing and Trim	15 Mar 2024
	Addendum 1.....	05 Apr 2024
A 07 62 10	Flexible Flashings	15 Mar 2024
A 07 65 11	Silicone Sheet Transition Assembly	15 Mar 2024
A 07 71 00	Roof Specialties	15 Mar 2024
A 07 76 00	Roof Terrace Pavers	15 Mar 2024
A 07 84 13	Penetration Firestopping	15 Mar 2024
A 07 84 43	Joint Firestopping	15 Mar 2024
A 07 91 00	Preformed Joint Seals	15 Mar 2024
A 07 92 00	Joint Sealants	15 Mar 2024
A 07 92 13	Acoustical Joint Sealants	15 Mar 2024

TABLE OF CONTENTS
00 01 10 - 3

SECTION DISC NUMBER	SECTION TITLE	ISSUE DATE
A 01 29 00	Payment Procedures	15 Mar 2024
A 01 31 00	Project Management and Coordination	15 Mar 2024
A 01 31 06	Coordination Drawings	15 Mar 2024
A 01 32 00	Construction Progress Documentation	15 Mar 2024
A 01 32 33	Photographic Documentation	15 Mar 2024
A 01 33 00	Submittal Procedures	15 Mar 2024
	Electronic File Transfer Agreement Form (BIM)	
A 01 40 00	Quality Requirements	15 Mar 2024
S 01 41 00	Special Inspections	15 Mar 2024
A 01 42 00	References	15 Mar 2024
A 01 43 39	Mockup Requirements	15 Mar 2024
A 01 50 00	Temporary Facilities and Controls	15 Mar 2024
A 01 57 13	Temporary Erosion and Sediment Control	15 Mar 2024
A 01 58 13	Temporary Project Identification Sign	15 Mar 2024
A 01 60 00	Product Requirements	15 Mar 2024
A 01 73 00	Execution	15 Mar 2024
A 01 73 29	Cutting and Patching	15 Mar 2024
A 01 74 19	Construction Waste Management and Disposal	15 Mar 2024
	Construction Waste Reduction Progress Report	
	Construction Waste Cost Revenue Analysis	
A 01 77 00	Closeout Procedures	15 Mar 2024
A 01 78 23	Operation and Maintenance Data	15 Mar 2024
A 01 78 39	Project Record Documents	15 Mar 2024
A 01 79 00	Demonstration and Training	15 Mar 2024

FACILITY CONSTRUCTION SUBGROUP

DIVISION 02 – NOT USED

DIVISION 03 – CONCRETE

A 03 15 29	Under-Slab Sheet Vapor Barrier	15 Mar 2024
S 03 30 00	Cast-In-Place Concrete	15 Mar 2024
A 03 54 16	Cement-Based Underlayment	15 Mar 2024

DIVISION 04 – MASONRY

A 04 20 00	Unit Masonry	15 Mar 2024
A 04 43 13.13	Anchored Stone Masonry Veneer	15 Mar 2024
A 04 72 00	Cast Stone Masonry	15 Mar 2024

DIVISION 05 – METALS

S 05 12 00	Structural Steel Framing	15 Mar 2024
S 05 31 00	Steel Decking	15 Mar 2024
S 05 40 00	Cold-Formed Metal Framing	15 Mar 2024
S 05 45 00	Cold-Formed Metal Roof Trusses	15 Mar 2024
A 05 50 00	Metal Fabrications	15 Mar 2024
A 05 51 13	Metal Pan Stairs	15 Mar 2024

TABLE OF CONTENTS
00 01 10 - 2

SECTION DISC NUMBER	SECTION TITLE	ISSUE DATE
------------------------	------------------	------------

DIVISIONS 10 - SPECIALTIES

A 10 11 00	Visual Display Units	15 Mar 2024
A 10 14 19	Dimensional Letter Signage	15 Mar 2024
A 10 14 24	Panel Signage	15 Mar 2024
A 10 22 13	Wire Mesh Partitions	
	Addendum 1	05 Apr 2024
A 10 26 00	Wall and Door Protection	15 Mar 2024
A 10 28 13	Toilet Accessories	15 Mar 2024
A 10 41 16	Emergency Key Cabinets	15 Mar 2024
A 10 44 00	Fire Protection Specialties	15 Mar 2024

DIVISIONS 11 - EQUIPMENT

A 11 30 00	Residential Appliances	15 Mar 2024
------------	------------------------------	-------------

DIVISIONS 12 - FURNISHINGS

A 12 24 13	Roller Window Shades	15 Mar 2024
A 12 48 13	Entrance Floor Mats and Frames	15 Mar 2024

DIVISION 13 - NOT USED**DIVISION 14 - CONVEYING EQUIPMENT**

A 14 21 25	Electric Traction MRL Elevators	15 Mar 2024
------------	---------------------------------------	-------------

DIVISIONS 15 - 19 - NOT USED**VOLUME 2 OF 2****INTRODUCTORY INFORMATION**

A 00 01 10	Title Page	15 Mar 2024
A 00 01 07	Professional Seals Pages	15 Mar 2024
	Addendum 1	05 Apr 2024
A 00 01 10	Table of Contents	15 Mar 2024
	Addendum 1	05 Apr 2024

SECTION DISC NUMBER	SECTION TITLE	ISSUE DATE
------------------------	------------------	------------

DIVISIONS 08 - OPENINGS

A 08 11 13	Hollow Metal Doors and Frames	15 Mar 2024
A 08 12 19	Interior Aluminum Doors and Frames	15 Mar 2024
	Addendum 1	05 Apr 2024
A 08 14 16	Flush Wood Doors	15 Mar 2024
A 08 31 13	Access Doors and Frames	15 Mar 2024
A 08 43 83	Elevator Door Smoke Containment System	15 Mar 2024
A 08 41 13	Aluminum-Framed Entrances and Storefronts	15 Mar 2024
	Addendum 1	05 Apr 2024
A 08 51 13	Aluminum Windows	15 Mar 2024
A 08 71 00	Door Hardware	15 Mar 2024
	Addendum 1	05 Apr 2024
A 08 71 13	Automatic Door Operators	15 Mar 2024
A 08 80 00	Glazing	15 Mar 2024
A 08 83 00	Mirrors	15 Mar 2024
A 08 87 33	Glazing Surface Films	15 Mar 2024
A 08 88 13	Fire-Rated Glazing	15 Mar 2024

DIVISION 09 - FINISHES

A 09 05 61.13	Moisture Vapor Emission Control	15 Mar 2024
A 09 21 16.23	Gypsum Board Shaftwall Assemblies	15 Mar 2024
A 09 22 16	Non-Structural Metal Framing	15 Mar 2024
A 09 24 00	Portland Cement Plastering	15 Mar 2024
A 09 29 00	Gypsum Board	15 Mar 2024
A 09 30 13	Tiling	15 Mar 2024
A 09 51 13	Acoustical Panel Ceilings	15 Mar 2024
A 09 51 33	Acoustical Metal Pan Ceilings	15 Mar 2024
A 09 54 13.16	Open Metal Mesh Ceilings	15 Mar 2024
A 09 54 26	Wood Veneer Panel Ceilings	15 Mar 2024
	Addendum 1	05 Apr 2024
A 09 61 16	Concrete Floor Sealing	15 Mar 2024
L 09 63 40	Stone Flooring	15 Mar 2024
A 09 65 13	Resilient Base and Accessories	15 Mar 2024
A 09 65 18	Resilient Sheet Rubber Flooring	15 Mar 2024
A 09 65 19	Resilient Tile Flooring	15 Mar 2024
A 09 65 36	Static-Control Resilient Flooring	15 Mar 2024
A 09 67 23	Resinous Flooring	15 Mar 2024
A 09 68 13	Tile Carpeting	15 Mar 2024
A 09 77 13	Stretched-Fabric Wall Systems	15 Mar 2024
A 09 84 36.16	Sound-Absorbing Ceiling Wood-Fiber Units	15 Mar 2024
A 09 91 13	Exterior Painting	15 Mar 2024
A 09 91 23	Interior Painting	15 Mar 2024
A 09 94 00	Interior High Performance Coatings	15 Mar 2024

SECTION DISC NUMBER	SECTION TITLE	ISSUE DATE
M 23 8239	Heating Terminal Units.....	15 Mar 2024
M 23 90 00	Project Closeout.....	15 Mar 2024

DIVISIONS 24 – 25 – NOT USED**DIVISION 26 – ELECTRICAL**

E 26 05 10	Electrical General	15 Mar 2024
E 26 05 12	Temporary Electrical Facilities	15 Mar 2024
E 26 05 14	Service Characteristics.....	15 Mar 2024
E 26 05 19	Conductors and Cables	15 Mar 2024
E 26 05 26	Grounding and Bonding.....	15 Mar 2024
E 26 05 29	Hangers and Supports for Electrical Systems	15 Mar 2024
E 26 05 33	Raceways and Boxes	15 Mar 2024
E 26 05 48	Vibration and Seismic Controls for Electrical Systems	15 Mar 2024
E 26 05 53	Electrical Identification.....	15 Mar 2024
E 26 05 73	Overcurrent Protective Device Coordination	15 Mar 2024
E 26 05 74	Overcurrent Protective Device Arc Flash Study	15 Mar 2024
E 26 09 23	Lighting Control Devices.....	15 Mar 2024
E 26 22 00	Low-Voltage Transformers.....	15 Mar 2024
E 26 24 13	Switchboards.....	15 Mar 2024
E 26 24 16	Panelboards.....	15 Mar 2024
E 26 25 00	Enclosed Bus Assemblies.....	15 Mar 2024
E 26 27 26	Wiring Devices.....	15 Mar 2024
E 26 28 13	Fuses.....	15 Mar 2024
E 26 28 16	Enclosed Switches and Circuit Breakers.....	15 Mar 2024
E 26 29 13	Enclosed Controllers	15 Mar 2024
E 26 32 13	Packaged Engine Generators	15 Mar 2024
E 26 36 00	Transfer Switches.....	15 Mar 2024
E 26 41 13	Lightning Protection for Structures	15 Mar 2024
E 26 51 19	LED Interior Lighting	15 Mar 2024
E 26 56 13	Lighting Poles and Standards	15 Mar 2024
E 26 56 19	LED Exterior Lighting	15 Mar 2024

DIVISION 27 – COMMUNICATIONS

E 27 01 00	Structured Cabling System	15 Mar 2024
------------	---------------------------------	-------------

DIVISION 28 – ELECTRONIC SAFETY AND SECURITY

E 28 31 11	Fire Alarm	15 Mar 2024
E 28 50 00	Emergency Radio Communication Enhancement System (BDA System)	15 Mar 2024
E 28 55 00	RF Survey for Emergency Responder Radio Antenna/ Repeater BDA System.....	15 Mar 2024

SECTION DISC NUMBER	SECTION TITLE	ISSUE DATE
------------------------------------	--------------------------	-------------------

FACILITY SERVICES SUBGROUP**DIVISIONS 20 – 21 – NOT USED****DIVISION 22 – EARTHWORK**

P 22 05 00	Common Work Results for Plumbing	15 Mar 2024
P 22 07 00	Piping Insulation	15 Mar 2024
P 22 09 00	Plumbing Automation and Automatic Temperature Control System	15 Mar 2024
P 22 10 00	Plumbing Piping	15 Mar 2024
C 22 11 13	Facility Water Distribution Piping	15 Mar 2024
P 22 11 23	Domestic Water Booster	15 Mar 2024
C 22 13 13	Facility Sanitary Sewers	15 Mar 2024
P 22 21 23	Natural Gas Systems	15 Mar 2024
P 22 30 00	Plumbing Equipment	15 Mar 2024
P 22 40 00	Plumbing Fixtures	15 Mar 2024
P 22 90 00	Plumbing Project Closeout	15 Mar 2024

DIVISION 23 – HEATING VENTILATING AND AIR CONDITIONING

M 23 05 01	Mechanical and Electrical Coordination	15 Mar 2024
M 23 05 02	Basic Mechanical Requirements	15 Mar 2024
M 23 05 03	Basic Mechanical Materials and Methods	15 Mar 2024
M 23 05 13	Motors and Starters	15 Mar 2024
M 23 05 21	Pipe and Pipe Fittings	15 Mar 2024
M 23 05 22	Piping Accessories	15 Mar 2024
M 23 05 23	Valves	15 Mar 2024
M 23 05 29	Pipe Supports and Anchors	15 Mar 2024
M 23 05 30	Electronic Speed Controllers	15 Mar 2024
M 23 05 48	Vibration Control	15 Mar 2024
M 23 05 53	Mechanical Identification	15 Mar 2024
M 23 05 93	Test-Adjust-Balance	15 Mar 2024
M 23 07 00	Mechanical Insulation	15 Mar 2024
M 23 09 00	Building Automation and Automatic Temperature Control Systems	15 Mar 2024
M 23 21 13	Hydronic Piping	15 Mar 2024
M 23 21 23	HVAC Pumps	15 Mar 2024
M 23 26 00	Energy and Water Metering Devices	15 Mar 2024
M 23 31 13	Ductwork	15 Mar 2024
M 23 30 00	Ductwork Accessories	15 Mar 2024
M 23 34 00	Fans	15 Mar 2024
M 23 37 00	Air Inlets and Outlets	15 Mar 2024
M 23 40 00	Air Cleaning	15 Mar 2024
M 23 57 00	Heat Exchanges	15 Mar 2024
M 23 72 00	Heat Recovery Equipment	15 Mar 2024
M 23 73 13	Air Handling Units with Coil	15 Mar 2024
M 23 8219	Fan Coil Units	15 Mar 2024

SECTION DISC NUMBER	SECTION TITLE	ISSUE DATE
--------------------------------	--------------------------	-------------------

DIVISIONS 29 – 30 – NOT USED

SITE AND INFRASTRUCTURE SUBGROUP

DIVISION 31 – EARTHWORK

C	31 10 00	Site Clearing.....	15 Mar 2024
C	31 20 00	Earth Moving	15 Mar 2024
S	31 63 29	Drilled Piers.....	15 Mar 2024

DIVISION 32 – EXTERIOR IMPROVEMENTS

C	32 12 16	Asphalt Paving	15 Mar 2024
C	32 13 13	Concrete Paving	15 Mar 2024
C	32 13 73	Concrete Paving Joint Sealants	15 Mar 2024
L	32 14 00	Unit Paving.....	15 Mar 2024
L	32 80 00	Landscape Irrigation	15 Mar 2024
L	32 90 00	Landscape.....	15 Mar 2024
L	32 91 25	Topsoil.....	15 Mar 2024

DIVISIONS 33 – UTILITIES

C	33 41 00	Storm Utility Drainage Piping	15 Mar 2024
---	----------	-------------------------------------	-------------

DIVISIONS 34 – 49 – NOT USED

END OF TABLE OF CONTENTS

[Exhibit continues next page]

II.A. Greek Housing Facility Construction Documents Index

LIST OF DRAWINGS

GENERAL

G100	COVER SHEET
G101	INDEX & GENERAL INFORMATION
G102	GENERAL NOTES
G103	PROJECT STANDARDS

A113	BLDG 3 - LEVEL 3 - FLOOR PLAN & DIMENSION PLAN
------	--

A114	BLDG 3 - ATTIC & ROOF PLAN
A180	BLDG 2 - LEVEL 1 & 2 - FFE FLOOR PLAN
A181	BLDG 2 - LEVEL 3 & ATTIC - FFE FLOOR PLAN
A182	BLDG 3 - BASEMENT - FFE FLOOR PLAN
A183	BLDG 3 - LEVEL 1 & 2 - FFE FLOOR PLAN
A184	BLDG 3 - LEVEL 3 & ATTIC - FFE FLOOR PLAN

A200	PARTITION SCHEDULE
------	--------------------

A260	DOOR SCHEDULE & ELEVATIONS
------	----------------------------

A262	DOOR DETAILS
------	--------------

A265	STOREFRONT SCHEDULE & DETAILS
------	-------------------------------

A270	WINDOW & LOUVER SCHEDULE
------	--------------------------

A271	WINDOW DETAILS
------	----------------

A300	BLDG 2 - EXTERIOR ELEVATIONS
------	------------------------------

A301	BLDG 3 - EXTERIOR ELEVATIONS
------	------------------------------

A310	EXTERIOR MOCK UP PANEL
------	------------------------

A320	BLDG 2 - BUILDING SECTIONS
------	----------------------------

A321	BLDG 3 - BUILDING SECTIONS
------	----------------------------

A322	BLDG 3 - BUILDING SECTIONS
------	----------------------------

A350	BLDG 2 - WALL SECTIONS
------	------------------------

A351	BLDG 2 & 3 - WALL SECTIONS
------	----------------------------

A353	BLDG 3 - WALL SECTIONS
------	------------------------

A370	SECTION DETAILS
------	-----------------

A371	SECTION DETAILS
------	-----------------

A372	STUCCO DETAILS
------	----------------

A390	ROOF DETAILS
------	--------------

A400	ENLARGED RESTROOM PLANS & ELEVATIONS
------	--------------------------------------

A491	ENLARGED RESTROOM PLANS & ELEVATIONS
------	--------------------------------------

A492	ENLARGED RESTROOM PLANS & ELEVATIONS
------	--------------------------------------

A493	ENLARGED RESTROOM PLANS & ELEVATIONS Copy 1
------	---

A500	ENLARGED PLANS & INTERIOR ELEVATIONS
------	--------------------------------------

A501	ENLARGED PLANS & INTERIOR ELEVATIONS
------	--------------------------------------

A502	ENLARGED PLANS & INTERIOR ELEVATIONS
------	--------------------------------------

A503	ENLARGED PLANS & INTERIOR ELEVATIONS
------	--------------------------------------

A504	ENLARGED PLANS & INTERIOR ELEVATIONS
------	--------------------------------------

A505	ENLARGED PLANS & INTERIOR ELEVATIONS
------	--------------------------------------

A570	MILLWORK SECTIONS & DETAILS
------	-----------------------------

A600	RCP GENERAL
------	-------------

A601	BLDG 2 - LEVEL 1 & 2 - REFLECTED CEILING PLAN
------	---

A602	BLDG 2 - LEVEL 3 & ATTIC - REFLECTED CEILING PLAN
------	---

A603	BLDG 3 - BASEMENT - REFLECTED CEILING PLAN
------	--

A604	BLDG 3 - LEVEL 1 & 2 - REFLECTED CEILING PLAN
------	---

A605	BLDG 3 - LEVEL 3 & ATTIC - REFLECTED CEILING PLAN
------	---

A660	ENLARGED PLANS & RCP DETAILS
------	------------------------------

A661	ENLARGED PLANS & RCP DETAILS
------	------------------------------

A700	BLDG 2 - ENLARGED STAIR PLANS & SECTIONS
------	--

A701	BLDG 2 - ENLARGED STAIR PLANS & SECTIONS
------	--

A703	BLDG 3 - ENLARGED STAIR PLANS & SECTIONS
------	--

A704	BLDG 3 - ENLARGED STAIR PLANS & SECTIONS
------	--

A705	STAIR AND RAMP DETAILS
------	------------------------

A801	EXTERIOR DETAILS
------	------------------

A860	BLDG 2 - PRECAST PROFILES
------	---------------------------

A861	BLDG 3 - PRECAST PROFILES
------	---------------------------

A862	PRECAST DETAILS
------	-----------------

A863	CAST STONE SCHEDULES
------	----------------------

A891	BLDG 2 - LEVEL 1 & 2 - FINISH PLAN
------	------------------------------------

A892	BLDG 2 - LEVEL 3 & ATTIC - FINISH PLAN
------	--

A893	BLDG 3 - BASEMENT - FINISH PLAN
------	---------------------------------

A894	BLDG 3 - LEVEL 1 & 2 - FINISH PLAN
------	------------------------------------

A895	BLDG 3 - LEVEL 3 & ATTIC - FINISH PLAN
------	--

A896	FINISH LEGEND
------	---------------

MECHANICAL

M0700	MECHANICAL CONTROLS
-------	---------------------

M0701	MECHANICAL CONTROLS
-------	---------------------

M001	MECHANICAL SYMBOLS AND LEGEND
------	-------------------------------

M030	MECHANICAL EQUIPMENT SCHEDULES
------	--------------------------------

M031	MECHANICAL EQUIPMENT SCHEDULES
------	--------------------------------

M032	MECHANICAL EQUIPMENT SCHEDULES
------	--------------------------------

M033	MECHANICAL EQUIPMENT SCHEDULES
------	--------------------------------

M034	MECHANICAL EQUIPMENT SCHEDULES
------	--------------------------------

M060	MECHANICAL DETAILS
------	--------------------

M061	MECHANICAL DETAILS
------	--------------------

M202	MECHANICAL ENLARGED FLOOR PLAN (LEVEL 2 - BUILDING 2)
------	---

LIFE SAFETY

LS101	BLDG 2 - LEVEL 1 & 2 - LIFE SAFETY PLAN
LS102	BLDG 2 - LEVEL 3 & ATTIC - LIFE SAFETY PLAN
LS103	BLDG 3 - BASEMENT - LIFE SAFETY PLAN
LS104	BLDG 3 - LEVEL 1 & 2 - LIFE SAFETY PLAN
LS105	BLDG 3 - LEVEL 3 & ATTIC - LIFE SAFETY PLAN

CIVIL

C0.1	CIVIL GENERAL NOTES
C0.2	CIVIL SURVEY
C1.0	SITE DEMOLITION PLAN
C2.0	SITE LAYOUT PLAN
C2.1	TRAFFIC CONTROL PLAN
C3.0	SITE UTILITY PLAN
C4.0	GRADING AND DRAINAGE PLAN
C5.0	EROSION CONTROL PLAN
C6.0	CIVIL DETAILS
C8.1	CIVIL GENERAL NOTES

LANDSCAPE

L1.1	IRRIGATION PLAN
L1.2	IRRIGATION DETAILS
L2.1	LANDSCAPE PLAN
L2.2	LANDSCAPE DETAILS
H1.1	Hardscape Materials Plan
H1.2	Hardscape Layout Plan
H1.3	Hardscape Grading and Drainage Plan
H2.1	Hardscape Details
H2.2	Hardscape Details
F1.0	FOUNTAIN PIPING SCHEMATIC
F2.0	FOUNTAIN FLOW DIAGRAM AND NOTES
F3.0	FOUNTAIN ELECTRICAL SCHEMATIC

STRUCTURAL

S101	GENERAL NOTES
S102	TYPICAL DETAILS
S104	TYPICAL DETAILS
S105	TYPICAL DETAILS
S106	TYPICAL DETAILS
S201	BLDG 2 - LEVEL 1 PLAN
S202	BLDG 2 - LEVEL 2 PLAN
S203	BLDG 2 - LEVEL 3 PLAN
S204	BLDG 2 - ATTIC LEVEL PLANS
S205	BLDG 2 - ROOF FRAMING PLAN
S210	BLDG 3 - BASEMENT PLAN
S211	BLDG 3 - LEVEL 1 PLAN
S212	BLDG 3 - LEVEL 2 PLAN
S213	BLDG 3 - LEVEL 3 PLAN
S214	BLDG 3 - ATTIC LEVEL PLANS
S215	BLDG 3 - ROOF FRAMING PLAN
S301	SECTIONS
S302	SECTIONS
S303	SECTIONS

ARCHITECTURAL

A001	ARCHITECTURAL SITE PLAN
A002	SITE DETAILS
A101	BLDG 2 - LEVEL 1 - FLOOR PLAN & DIMENSION PLAN
A102	BLDG 2 - LEVEL 2 - FLOOR PLAN & DIMENSION PLAN
A103	BLDG 2 - LEVEL 3 - FLOOR PLAN & DIMENSION PLAN
A104	BLDG 2 - ATTIC & ROOF PLAN
A110	BLDG 3 - BASEMENT - FLOOR PLAN & DIMENSION PLAN
A111	BLDG 3 - LEVEL 1 - FLOOR PLAN & DIMENSION PLAN
A112	BLDG 3 - LEVEL 2 - FLOOR PLAN & DIMENSION PLAN

M2.30-2 MECHANICAL ENLARGED FLOOR PLAN (LEVEL 3 - BUILDING 2)
 M2.40-2 MECHANICAL ENLARGED FLOOR PLAN (ATTIC - BUILDING 2)
 MH2.00-3 MECHANICAL ENLARGED FLOOR PLAN (BASEMENT-BUILDING 3)
 MH2.10-2 MECHANICAL ENLARGED FLOOR PLAN (LEVEL 1- BUILDING 2)
 MH2.10-3 MECHANICAL ENLARGED FLOOR PLAN (LEVEL 1 - BUILDING 3)
 MH2.20-3 MECHANICAL ENLARGED FLOOR PLAN (LEVEL 2 - BUILDING 3)
 MH2.30-3 MECHANICAL ENLARGED FLOOR PLAN (LEVEL 3 - BUILDING 3)
 MH2.40-3 MECHANICAL ENLARGED FLOOR PLAN (ATTIC - BUILDING 3)
 MP2.00-3 PIPING ENLARGED FLOOR PLAN (BASEMENT - BUILDING 3)
 MP2.10-2 PIPING ENLARGED FLOOR PLAN (LEVEL 1 - BUILDING 2)
 MP2.10-3 PIPING ENLARGED FLOOR PLAN (LEVEL 1 - BUILDING 3)
 MP2.20-2 PIPING ENLARGED FLOOR PLAN (LEVEL 2 - BUILDING 2)
 MP2.20-3 PIPING ENLARGED FLOOR PLAN (LEVEL 2 - BUILDING 3)
 MP2.30-2 PIPING ENLARGED FLOOR PLAN (LEVEL 3 - BUILDING 2)
 MP2.30-3 PIPING ENLARGED FLOOR PLAN (LEVEL 3 - BUILDING 3)
 MP2.40-2 PIPING ENLARGED FLOOR PLAN (ATTIC - BUILDING 2)
 MP2.40-3 PIPING ENLARGED FLOOR PLAN (ATTIC - BUILDING 3)

PLUMBING

P0.01 PLUMBING SYMBOLS AND LEGENDS
 P0.30 PLUMBING EQUIPMENT SCHEDULES
 P0.60 PLUMBING DETAILS
 PN2.00-3 PLUMBING NON PRESSURE FLOOR PLAN (BASEMENT - BUILDING 3)
 PN2.10-2 PLUMBING NON PRESSURE FLOOR PLAN (LEVEL 1 - BUILDING 2)
 PN2.10-3 PLUMBING NON PRESSURE FLOOR PLAN (LEVEL 1 - BUILDING 3)
 PN2.20-2 PLUMBING NON PRESSURE FLOOR PLAN (LEVEL 2 - BUILDING 2)
 PN2.20-3 PLUMBING NON PRESSURE FLOOR PLAN (LEVEL 2 - BUILDING 3)
 PN2.30-2 PLUMBING NON PRESSURE FLOOR PLAN (LEVEL 3 - BUILDING 2)
 PN2.30-3 PLUMBING NON PRESSURE FLOOR PLAN (LEVEL 3 - BUILDING 3)
 PP2.00-3 PLUMBING PRESSURE FLOOR PLAN (BASEMENT - BUILDING 3)
 PP2.10-2 PLUMBING PRESSURE FLOOR PLAN (LEVEL 1 - BUILDING 2)
 PP2.10-3 PLUMBING PRESSURE FLOOR PLAN (LEVEL 1 - BUILDING 3)
 PP2.20-2 PLUMBING PRESSURE FLOOR PLAN (LEVEL 2 - BUILDING 2)
 PP2.20-3 PLUMBING PRESSURE FLOOR PLAN (LEVEL 2 - BUILDING 3)
 PP2.30-2 PLUMBING PRESSURE FLOOR PLAN (LEVEL 3 - BUILDING 2)
 PP2.30-3 PLUMBING PRESSURE FLOOR PLAN (LEVEL 3 - BUILDING 3)

ELECTRICAL

E001 ELECTRICAL LEGEND & NOTES
 E002 LUMINAIRE SCHEDULE & NOTES
 E003 ELECTRICAL DETAILS
 E004 ACCESS CONTROL DETAILS
 E005 GROUNDING RISER DIAGRAMS
 E006 RISER DIAGRAM
 E007 PANELBOARD SCHEDULES
 E008 PANELBOARD SCHEDULES
 E100 PARTIAL SITE PLAN - ELECTRICAL
 E200 BLDG 2 - LEVEL 1 & 2 FLOOR PLAN - LIGHTING
 E201 BLDG 2 - LEVEL 1 & 2 FLOOR PLAN - POWER
 E202 BLDG 2 - LEVEL 3 & ATTIC FLOOR PLAN - LIGHTING
 E203 BLDG 2 - LEVEL 3 & ATTIC FLOOR PLAN - POWER
 E204 BLDG 2 - LEVEL 1, 2, 3, & ATTIC FLOOR PLAN - MECHANICAL POWER
 E300 BLDG 3 - BASEMENT FLOOR PLAN - LIGHTING
 E301 BLDG 3 - BASEMENT FLOOR PLAN - POWER
 E302 BLDG 3 - LEVEL 1 & 2 FLOOR PLAN - LIGHTING
 E303 BLDG 3 - LEVEL 1 & 2 FLOOR PLAN - POWER
 E304 BLDG 3 - LEVEL 3 & ATTIC FLOOR PLAN - LIGHTING
 E305 BLDG 3 - LEVEL 3 & ATTIC FLOOR PLAN - POWER
 E306 BLDG 3 - LEVEL BASEMENT, 1, 2, 3, & ATTIC FLOOR PLAN - MECHANICAL POWER
 E400 ROOF PLAN - BLDG 2 & 3 - LIGHTNING PROTECTION
 E401 LIGHTNING PROTECTION DETAILS

FIRE PROTECTION

FP1.0 GENERAL NOTES
 FP1.1 BUILDING TWO AND THREE LEVELS ONE AND TWO
 FP1.2 BUILDING TWO AND THREE LEVELS THREE AND ATTIC

FIRE ALARM

FA100 FIRE ALARM RISER DIAGRAMS
 FA200 BLDG 2 - LEVEL 1 & 2 FLOOR PLAN - FIRE ALARM
 FA201 BLDG 2 - LEVEL 3 & ATTIC FLOOR PLAN - FIRE ALARM
 FA300 BLDG 3 - BASEMENT FLOOR PLAN - FIRE ALARM
 FA301 BLDG 3 - LEVEL 1 & 2 FLOOR PLAN - FIRE ALARM
 FA302 BLDG 3 - LEVEL 3 & ATTIC FLOOR PLAN - FIRE ALARM

TELECOM

T001 TELECOM DETAILS
 T002 TELECOM DETAILS
 T003 TELECOM RISERS - CONDUIT, COPPER AND FIBER
 T200 BLDG 2 - LEVEL 1 & 2 FLOOR PLAN - AUXILIARY
 T201 BLDG 2 - LEVEL 3 & ATTIC FLOOR PLAN - AUXILIARY
 T300 BLDG 3 - BASEMENT FLOOR PLAN - AUXILIARY
 T301 BLDG 3 - LEVEL 1 & 2 FLOOR PLAN - AUXILIARY
 T302 BLDG 3 - LEVEL 3 & ATTIC FLOOR PLAN - AUXILIARY

II.B. Greek Housing Facility Project Manual Table of Contents

**Samford Greek Housing - Phase 2
Samford University
Homewood, Alabama**

**November 10, 2023
DAI Project No. 4001**

TABLE OF CONTENTS

DIVISION 00 – PROCUREMENT AND CONTRACTING REQUIREMENTS

002600 PROCUREMENT SUBSTITUTION PROCEDURES

DIVISION 01 - GENERAL REQUIREMENTS

011000 SUMMARY
012100 ALLOWANCES
012200 UNIT PRICES
012300 ALTERNATES
012500 SUBSTITUTION PROCEDURES
012600 CONTRACT MODIFICATION PROCEDURES
012900 PAYMENT PROCEDURES
013100 PROJECT MANAGEMENT AND COORDINATION
013200 CONSTRUCTION PROGRESS DOCUMENTATION
013233 PHOTOGRAPHIC DOCUMENTATION
013300 SUBMITTAL PROCEDURES
014000 QUALITY REQUIREMENTS
014200 REFERENCES
014339 MOCKUPS
015000 TEMPORARY FACILITIES AND CONTROLS
016000 PRODUCT REQUIREMENTS
017300 EXECUTION
017700 CLOSEOUT PROCEDURES
017823 OPERATION AND MAINTENANCE DATA
017839 PROJECT RECORD DOCUMENTS
017900 DEMONSTRATION AND TRAINING

DIVISION 02 – EXISTING CONDITIONS

024119 SELECTIVE DEMOLITION

DIVISION 03 - CONCRETE

034500 PRECAST ARCHITECTURAL CONCRETE

DIVISION 04 - MASONRY

**042613 MASONRY VENEER
047200 CAST STONE MASONRY**

DIVISION 05 - METALS

**054000 COLD-FORMED METAL FRAMING
054400 COLD-FORMED METAL TRUSSES
055000 METAL FABRICATIONS
055113 METAL PAN STAIRS
055213 PIPE AND TUBE RAILINGS
057300 DECORATIVE METAL RAILINGS**

DIVISION 06 – WOOD, PLASTICS, AND COMPOSITES

061000 ROUGH CARPENTRY
061600 SHEATHING
062013 EXTERIOR FINISH CARPENTRY
062023 INTERIOR FINISH CARPENTRY
064113 WOOD-VENEER-FACED ARCHITECTURAL CABINETS
064116 PLASTIC-LAMINATE-CLAD ARCHITECTURAL CABINETS
066116 SOLID SURFACING FABRICATIONS

DIVISION 07 - THERMAL AND MOISTURE PROTECTION

071326 SELF-ADHERING SHEET WATERPROOFING
071416 COLD FLUID-APPLIED WATERPROOFING
071613 POLYMER MODIFIED CEMENT WATERPROOFING
072100 THERMAL INSULATION
072419 WATER-DRAINAGE EXTERIOR INSULATION AND FINISH SYSTEM (EIFS)
072726 FLUID-APPLIED MEMBRANE AIR BARRIERS
073113 ASPHALT SHINGLES
076100 SHEET METAL ROOFING
076200 SHEET METAL FLASHING AND TRIM
078413 PENETRATION FIRESTOPPING
078443 JOINT FIRESTOPPING
079200 JOINT SEALANTS

DIVISION 08 - OPENINGS

081113 HOLLOW METAL DOORS AND FRAMES
081416 FLUSH WOOD DOORS
081434 INTERIOR STILE AND RAIL WOOD DOORS
083113 ACCESS DOORS AND FRAMES
083343 OVERHEAD COILING SMOKE CURTAINS
084213 ALUMINUM-FRAMED ENTRANCES
085200 WOOD WINDOWS
088000 GLAZING
088300 MIRRORS
088813 FIRE-RATED GLAZING

DIVISION 09 - FINISHES

092116.23 GYPSUM BOARD SHAFT WALL ASSEMBLIES
092216 NON-STRUCTURAL METAL FRAMING
092400 CEMENT PLASTERING
092900 GYPSUM BOARD
093013 CERAMIC TILING
095113 ACOUSTICAL PANEL CEILINGS
096513 RESILIENT BASE AND ACCESSORIES
096519 RESILIENT TILE FLOORING
099114 EXTERIOR PAINTING (MPI STANDARDS)
099124 INTERIOR PAINTING (MPI STANDARDS)
099300 STAINING AND TRANSPARENT FINISHING
099600 HIGH-PERFORMANCE COATINGS

DIVISION 10 - SPECIALTIES

101100 VISUAL DISPLAY UNITS

101423.16 ROOM-IDENTIFICATION PANEL SIGNAGE
102800 TOILET, BATH, AND LAUNDRY ACCESSORIES
104413 FIRE PROTECTION CABINETS
104416 FIRE EXTINGUISHERS

DIVISION 11 - EQUIPMENT

113013 RESIDENTIAL APPLIANCES

DIVISION 12 - FURNISHINGS

122113 HORIZONTAL LOUVER BLINDS
123623.13 PLASTIC-LAMINATE-CLAD COUNTERTOPS
123661.16 SOLID SURFACING COUNTERTOPS
123661.19 QUARTZ AGGLOMERATE COUNTERTOPS

DIVISION 13 - SPECIAL CONSTRUCTION

NOT USED

DIVISION 14 - CONVEYING EQUIPMENT

NOT USED

DIVISION 21 – FIRE SUPPRESSION

BY OTHERS

DIVISION 22 - PLUMBING

BY OTHERS

DIVISION 23 – HEATING, VENTILATING, AND AIR-CONDITIONING (HVAC)

BY OTHERS

DIVISION 26 – ELECTRICAL

BY OTHERS

DIVISION 27 – COMMUNICATIONS

BY OTHERS

DIVISION 28 – ELECTRONIC SAFETY AND SECURITY

BY OTHERS

DIVISION 31 - EARTHWORK

313116 TERMITE CONTROL

DIVISION 32 – EXTERIOR IMPROVEMENTS

321373 CONCRETE PAVING JOINT SEALANTS

DIVISION 33 - UTILITIES

334600 SUBDRAINAGE

III.A. Parking Improvements 100% Design Development Submittal Plans

LIST OF DRAWINGS

GENERAL

G100	COVER SHEET
G101	INDEX & GENERAL INFORMATION
G102	GENERAL NOTES
G103	PROJECT STANDARDS

LIFE SAFETY

LS001	CODE STUDY
LS101	LIFE SAFETY PLAN - LEVEL G AND LEVEL 1
LS102	LIFE SAFETY PLANS - LEVEL 2, 3 & 4

CIVIL

C001	CIVIL GENERAL NOTES
C100	DEMOLITION PLAN
C200	SITE LAYOUT PLAN (GROUND FLOOR)
C300	GRADING AND DRAINAGE PLAN
C400	EROSION CONTROL PLAN
C500	UTILITY PLAN
C600	CIVIL DETAILS
C6001	CIVIL DETAILS

DEMOLITION

D101	LEVEL G AND LEVEL 1 - DEMOLITION PLANS
D102	DEMOLITION PLANS - LEVELS 2, 3 & 4 AND ROOF DEMOLITION PLANS
D400	EXISTING CONDITIONS PHOTOS
D401	EXISTING CONDITIONS PHOTOS
D402	EXISTING CONDITIONS PHOTOS
D403	EXISTING CONDITIONS PHOTOS
D404	EXISTING CONDITIONS PHOTOS
D405	EXISTING CONDITIONS PHOTOS

ARCHITECTURAL

A001	ARCHITECTURAL SITE PLAN
A002	ARCHITECTURAL SITE DETAILS
A101	LEVEL 1 - ANNOTATION PLANS
A101D	LEVEL 1 - DIMENSION PLANS
A102	LEVEL 2 - ANNOTATION PLANS
A102D	LEVEL 2 - DIMENSION PLANS
A103	LEVEL 3 - ANNOTATION PLANS
A103D	LEVEL 3 - DIMENSION PLANS
A104	LEVEL 4 - ANNOTATION PLANS
A104D	LEVEL 4 - DIMENSION PLANS
A120	PARKING SPACE LAYOUT PLANS - LEVEL 1 & LEVEL 2
A121	PARKING SPACE LAYOUT PLANS - LEVEL 3 & LEVEL 4
A200	PARTITION, DOOR & WINDOW SCHEDULE
A201	CAULKING DETAILS
A202	SIGN TYPES & DETAILS
A203	SIGN TYPES & DETAILS
A300	EXTERIOR ELEVATIONS
A310	ENLARGED ELEVATIONS
A311	BRICK DETAILING @ WINDOWS & PRIVACY FENCE DETAILS
A320	BUILDING SECTIONS
A350	WALL SECTIONS
A500	ENLARGED PLANS & INTERIOR ELEVATIONS
A700	ENLARGED STAIR PLANS & SECTIONS

ELECTRICAL

E001	ELECTRICAL LEGEND & NOTES
E002	ELECTRICAL DETAILS
E003	ELECTRICAL DETAILS
E004	PARTIAL SITE PLAN - ELECTRICAL
E100	LEVEL G FLOOR PLAN - ELECTRICAL
E101	LEVEL 1 FLOOR PLAN - ELECTRICAL
E102	LEVEL 2 FLOOR PLAN - ELECTRICAL
E103	LEVEL 3 FLOOR PLAN - ELECTRICAL
E104	LEVEL 4 FLOOR PLAN - ELECTRICAL
E105	LEVEL 4 FLOOR PLAN - ELECTRICAL ALTERNATE

Samford University – North Parking Deck Expansion
Homewood, Alabama

April 26, 2024
DAI Project No. 4016

TABLE OF CONTENTS

DIVISION 00 – PROCUREMENT AND CONTRACTING REQUIREMENTS

002600 PROCUREMENT SUBSTITUTION PROCEDURES

DIVISION 01 - GENERAL REQUIREMENTS

011000 SUMMARY
012100 ALLOWANCES (Pending)
012200 UNIT PRICES (Pending)
012300 ALTERNATES (Pending)
012500 SUBSTITUTION PROCEDURES
012600 CONTRACT MODIFICATION PROCEDURES
012900 PAYMENT PROCEDURES
013100 PROJECT MANAGEMENT AND COORDINATION
013200 CONSTRUCTION PROGRESS DOCUMENTATION
013233 PHOTOGRAPHIC DOCUMENTATION
013300 SUBMITTAL PROCEDURES
014000 QUALITY REQUIREMENTS
014100 SPECIAL INSPECTIONS
014200 REFERENCES
015000 TEMPORARY FACILITIES AND CONTROLS
016000 PRODUCT REQUIREMENTS
017300 EXECUTION
017700 CLOSEOUT PROCEDURES
017839 PROJECT RECORD DOCUMENTS

DIVISION 02 – EXISTING CONDITIONS

024119 SELECTIVE DEMOLITION

DIVISION 03 - CONCRETE

031000 CONCRETE FORMING AND ACCESSORIES
032000 CONCRETE REINFORCING
033000 CAST-IN-PLACE CONCRETE
034100 PRECAST STRUCTURAL CONCRETE
034500 PRECAST ARCHITECTURAL CONCRETE (Pending)

DIVISION 04 - MASONRY

042200 CONCRETE UNIT MASONRY
042613 MASONRY VENEER

DIVISION 05 - METALS

055000 METAL FABRICATIONS
055113 METAL PAN STAIRS
055213 PIPE AND TUBE RAILINGS

DIVISION 06 – WOOD, PLASTICS, AND COMPOSITES

061000 ROUGH CARPENTRY
061600 SHEATHING
061753 SHOP-FABRICATED WOOD TRUSSES

TABLE OF CONTENTS

III.B. Parking Improvements Project Manual – Design Development Submittal

STRUCTURAL

S001
S002
S003
S004
S005
S100
S101
S102
S103
S104
S301
S302
S303
GENERAL NOTES
GENERAL NOTES (CONTINUED) & ABBREVIATIONS
TYPICAL DETAILS
TYPICAL DETAILS
COMPONENTS AND CLADDING WIND PRESSURES
LEVEL G PLAN
LEVEL 1 PLAN
LEVEL 2 PLAN
LEVEL 3 PLAN
LEVEL 4 PLAN
SECTIONS
SECTIONS
SECTIONS

PLUMBING

P201
P201A
P201B
P202
P202A
P202B
P203
P203A
P203B
P204
P204A
P204B
PLUMBING - LEVEL 1 FLOOR PLAN
PLUMBING - LEVEL 1 FLOOR PLAN - SECTOR A
PLUMBING - LEVEL 1 FLOOR PLAN - SECTOR B
PLUMBING - LEVEL 2 FLOOR PLAN
PLUMBING - LEVEL 2 FLOOR PLAN - SECTOR A
PLUMBING - LEVEL 2 FLOOR PLAN - SECTOR B
PLUMBING - LEVEL 3 FLOOR PLAN
PLUMBING - LEVEL 3 FLOOR PLAN - SECTOR A
PLUMBING - LEVEL 3 FLOOR PLAN - SECTOR B
PLUMBING - LEVEL 4 FLOOR PLAN
PLUMBING - LEVEL 4 FLOOR PLAN - SECTOR A
PLUMBING - LEVEL 4 FLOOR PLAN - SECTOR B

MECHANICAL

M001
M201
M202
M203
P001
HVAC GEN. NOTES, LEGEND, ABBREVIATIONS, SCHEDULES & DETAILS
HVAC - LEVEL 1 FLOOR PLAN
HVAC - LEVEL 2 FLOOR PLAN
HVAC - LEVEL 3 FLOOR PLAN
PLUMBING GEN. NOTES, LEGEND, ABBREV., SCHEDULES & DETAILS

FIRE PROTECTION

FP001
FP200
FP201
FP202
FP203
FIRE PROTECTION GEN. NOTES, LEGEND, ABBREV. & DETAILS
FIRE PROTECTION - LEVEL G FLOOR PLAN
FIRE PROTECTION - LEVEL 1 FLOOR PLAN
FIRE PROTECTION - LEVEL 2 FLOOR PLAN
FIRE PROTECTION - LEVEL 3 FLOOR PLAN

DIVISION 23 – HEATING, VENTILATING, AND AIR-CONDITIONING (HVAC)

230100 MECHANICAL GENERAL PROVISIONS
 238126 SPLIT SYSTEM AIR CONDITIONERS
 238239.19 WALL AND CEILING UNIT HEATERS

DIVISION 26 – ELECTRICAL

260510 ELECTRICAL GENERAL
 260512 WORK IN EXISTING FACILITY
 260519 CONDUCTORS AND CABLES
 260526 GROUNDING AND BONDING
 260529 HANGERS AND SUPPORTS FOR ELECTRICAL SYSTEMS
 260533 RACEWAYS AND BOXES
 260534 CATV RACEWAY SYSTEM
 260546 VIBRATION AND SEISMIC CONTROLS FOR ELECTRIC SYSTEMS
 260553 ELECTRICAL IDENTIFICATION
 260573 OVERCURRENT PROTECTION DEVICE COORDINATION
 260574 OVERCURRENT PROTECTIVE DEVICE ARC FLASH STUDY
 260923 LIGHTING CONTROL DEVICES
 262200 LOW VOLTAGE TRANSFORMERS
 262416 PANELBOARDS
 262726 WIRING DEVICES
 262813 FUSES
 262816 ENCLOSED SWITCHES AND CIRCUIT BREAKERS
 262913 ENCLOSED CONTROLLERS
 264313 NEW OVERCURRENT PROTECTIVE DEVICES IN EXISTING EQUIPMENT
 265119 LED INTERIOR LIGHTING
 265613 LIGHTING POLES AND STANDARDS
 265619 LED EXTERIOR LIGHTING

DIVISION 27 – COMMUNICATIONS

NOT USED

DIVISION 28 – ELECTRONIC SAFETY AND SECURITY

283111 FIRE ALARM

DIVISION 31 - EARTHWORK

311000 SITE CLEARING
 312000 EARTH MOVING
 316329 DRILLED PIERS

DIVISION 32 – EXTERIOR IMPROVEMENTS

321216 ASPHALT PAVING
 321313 CONCRETE PAVING
 321373 CONCRETE PAVING JOINT SEALANTS
 321723 PAVEMENT MARKINGS
 323113 CHAIN LINK FENCES AND GATES (Pending)

DIVISION 33 - UTILITIES

334100 STORM UTILITY DRAINAGE PIPING

TABLE OF CONTENTS**DIVISION 07 - THERMAL AND MOISTURE PROTECTION**

071613 POLYMER MODIFIED CEMENT WATERPROOFING
 071800 TRAFFIC COATINGS
 073113 ASPHALT SHINGLES
 076200 SHEET METAL FLASHING AND TRIM
 077100 ROOF SPECIALTIES
 078413 PENETRATION FIRESTOPPING
 078443 JOINT FIRESTOPPING
 079100 PREFORMED JOINT SEALS
 079200 JOINT SEALANTS
 079513.19 PARKING DECK EXPANSION JOINT COVER ASSEMBLIES (Pending)

DIVISION 08 - OPENINGS

081113 HOLLOW METAL DOORS AND FRAMES
 085113 ALUMINUM WINDOWS (Pending)

DIVISION 09 - FINISHES

099114 EXTERIOR PAINTING (MPI STANDARDS)
 099124 INTERIOR PAINTING (MPI STANDARDS)
 099600 HIGH-PERFORMANCE COATINGS

DIVISION 10 - SPECIALTIES

101423.16 ROOM-IDENTIFICATION PANEL SIGNAGE (Pending)
 104416 FIRE EXTINGUISHERS

DIVISION 11 - EQUIPMENT

NOT USED

DIVISION 12 - FURNISHINGS

NOT USED

DIVISION 13 - SPECIAL CONSTRUCTION

NOT USED

DIVISION 14 - CONVEYING EQUIPMENT

NOT USED

DIVISION 21 – FIRE SUPPRESSION

211200 FIRE SUPPRESSION STANDPIPES
 211313 AUTOMATIC SPRINKLER SYSTEMS

DIVISION 22 - PLUMBING

220000 PLUMBING
 221113 FACILITY WATER DISTRIBUTION PIPING

TABLE OF CONTENTS

EXHIBIT E
[INTENTIONALLY OMITTED]

EXHIBIT F

PROJECT SCHEDULE

A. Freshman Housing Facility

1. Guaranteed Date: June 25, 2025

B. Greek Housing Facility

1. Guaranteed Date – North Building: May 6, 2025
2. Guaranteed Date – South Building: July 22, 2025

C. Parking Improvements

1. Guaranteed Date: July 21, 2025

EXHIBIT G
DEVELOPMENT BUDGET

	Greek Housing Facility	Freshmen Housing Facility	Parking Improvements	TOTAL
DEVELOPMENT BUDGET				
Construction	\$ 24,598,777	\$ 75,195,183	\$ 18,422,422	\$ 118,216,382
FF&E	\$ 490,000	\$ 1,792,000	\$ -	\$ 2,282,000
Soft Costs	\$ 5,790,000	\$ 15,030,000	\$ 3,255,236	\$ 24,075,236
Contingency	\$ 1,172,283	\$ 3,469,000	\$ 1,265,016	\$ 5,906,299
TOTAL	\$ 32,051,060	\$ 95,486,183	\$ 22,942,674	\$ 150,479,917

EXHIBIT H

INSURANCE

UNIVERSITY INSURANCE – FRESHMAN AND GREEK HOUSING AND PARKING – DURING CONSTRUCTION

University shall maintain at its sole cost and expense the following insurance:

Builder's Risk

(1) The Owner agrees that it will, at all times during the construction of the Project, cause the University to maintain in full force and effect builder's risk – completed value form insurance insuring all buildings, structures, boilers, equipment, facilities, fixtures, supplies, and other property constituting the Project on an "all risk of loss or damage basis," currently referred to as "special form." Including coverage for soft costs and lost rents due to covered damage and destruction prior to completion in an amount not less than the Maximum Annual Debt Service for the Bonds Outstanding for, including perils of fire, lightning, and all other risks covered by the extended coverage endorsement then in use in the State of Alabama to the full replacement cost of the Project subject to builder's risk policy sub-limits. Such policy or policies of insurance will name the Authority, the Owner, the Trustee, and the University as insureds as their respective interests may appear, and will name the Trustee as mortgagee under a standard loss payable endorsement providing that no act or omission by the named insured will in any way prejudice the rights of the Trustee thereunder, and all Net Proceeds received under such policy or policies by the Owner/Borrower or the Authority will be paid over to the Trustee and deposited into the Insurance Fund to be applied to the restoration or completion of the Project or to the redemption of the Bonds in accordance with the provisions of Section 9.01 of the Bond Lease Agreement.

Performance and Payment Bonds

(2) The Owner agrees that it will cause the University to deliver or require the Contractor to deliver to the Trustee performance and labor and material payment bonds with respect to the various Construction Services Agreements, and in the full amount thereof, made by the University or the Contractor as the principal and a surety company or companies that is or are licensed to do business in the State of Alabama, rated at least "A" by S&P or "Excellent (A/A-)" by A.M. Best Company, Inc., and otherwise satisfactory and acceptable to the University and the Underwriter, which bonds shall be in such forms as are acceptable to the University and the Underwriter and name the Authority, the Owner, the Trustee and the University as the obligees (or dual obligees, as applicable). The Owner will cause all Net Proceeds received under said bonds to be deposited in the applicable construction fund for the part of the Project for which such bonds were obtained, or if received after the applicable Completion Date therefor, will be used to pay any obligation then owed by the Owner under the Bond Lease Agreement, and if any remaining amount of such Net Proceeds will be deposited into the Revenue Fund. If any of the Owner, the Trustee, and the University desires to enforce its rights as an obligee (or dual obligee) under a performance bond, such entity shall provide written notice to the Owner, the Trustee, and the University of such intent, and agrees to meet and confer within five (5) days of the delivery of such notice with the Owner, the University, and the Trustee to discuss making a claim on such performance bond.

Liability Insurance

(3) In addition, the Owner will cause the University at all times during the construction of the Project to maintain, or cause to be maintained by the Developer, the Contractor, and the Architect, as applicable at their sole cost and expense (i) general liability, automobile liability, errors and omissions liability, and umbrella/excess liability insurance, all as required by the Development Management Services Agreements and the Construction Services Agreements and the Design Services Agreements and (ii) workers' compensation insurance as required by law. Said insurance policy or policies will contain a provision that such insurance may not be canceled by the insurance provider thereof without at least 30 days' advance written notice (10 days for non-payment of premium). The University will promptly forward any notice of cancellation received from an insurance carrier to the Owner, the Authority and the Trustee. All such policies or copies thereof or certificates that such insurance is in full force and effect will be delivered to the Trustee at or prior to the delivery of each series of Bonds.

PROJECT INSURANCE – FRESHMAN AND GREEK HOUSING – UPON COMPLETION

The Owner will keep the Project continuously insured or cause the same to be kept continuously insured by the University as an expense of the project, against such risks as are customarily insured against with respect to facilities of like size and type, as recommended by an Insurance Consultant, including, but not limited to:

- (1) commencing on the date on which the Owner begins leasing the Project to proposed occupants thereof, insurance on the repair or replacement basis in an amount of not less than 100% of the then actual cost of replacement (excluding costs of replacing excavations and foundations, but without deduction for depreciation) of the Project (with deductible provisions which are reasonable and customary in the current insurance market) against loss or damage by fire, lightning, windstorm, hail, explosion, riot, riot attending a strike, civil commotion, aircraft, vehicles, and smoke and such other risks as are now or hereafter included in the uniform standard extended coverage endorsement in common use for similar structures (including vandalism and malicious mischief) with standard policy sub-limits. Named windstorm and hail coverage shall be subject to the lowest commercially available deductible provisions, but in any case, with deductibles not to exceed 5% of total insured values;
- (2) commencing on the date on which the Owner begins leasing the Project to proposed occupants thereof, business interruption insurance (also referred to as "business income" or "loss of rents" insurance) covering loss of revenues and other income by the Borrower by reason of total or partial suspension of, or interruption in, the operation of the Project caused by covered damage to or destruction of the Project in an amount not less than the Maximum Annual Debt Service on the Bonds plus 12 months' budgeted operating expenses minus those operating expenses avoided as a result of and during the period of interruption and in the event a waiting period applies to the business income/loss of rents coverage, it shall not exceed 30 days per occurrence;
- (3) comprehensive general liability insurance providing insurance (with deductible provisions which are reasonable and customary in the current insurance market) covering all claims for bodily injury and property damage, including not less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate, to include personal and advertising injury, general aggregate, products and completed operations aggregate insurance beginning at the completion of each Project component, and contractual liability to cover all insurable obligations in the Bond Lease;

- (4) commencing on the date any vehicle is acquired or hired by the Borrower for use with respect to the Project, automobile liability insurance providing insurance (with deductible provisions which are reasonable and customary in the current insurance market) to the extent of not less than a combined single limit of \$1,000,000 per accident covering liability arising out of the use of any Borrower vehicle or such vehicles used in conjunction with the Project, whether owned, non-owned, or hired, and including personal injury protection and uninsured motorist protection in the minimum statutory limits where required by law;
- (5) at all times, insurance under the National Flood Insurance Program within the minimum requirements and amounts required for federally financed or assisted Leases under the Flood Disaster Protection Act of 1973, as amended, if the Project is eligible under such program;
- (6) as required by the laws of the State of Alabama, including, with respect to workers' compensation insurance, Coverage B-Employer's liability limits of: bodily injury by accident - \$500,000 each accident; and bodily injury by disease - \$500,000 each employee (and, in this regard, the Owner or the University will require all subcontractors performing work on the Project to provide an insurance certificate showing proof of workers' compensation insurance);
- (7) to the extent that the Project contains a steam boiler, pressure vessels, or pressure piping, and commencing on the date on which the same are installed in the Project, boiler explosion insurance on steam boilers, if any, pressure vessels, and pressure piping in an amount not less than 100% of the then actual cost of replacement (excluding costs of replacing excavations and foundations, but without deduction for depreciation) of the Project (with deductible provisions that are reasonable and customary in the current insurance market);
- (8) commencing on each Completion Date, fidelity bonds or employee dishonesty insurance in the amount of \$100,000 for all officers, agents, and employees of the Borrower with the responsibility of handling Pledged Revenues; and
- (9) additional umbrella or excess liability coverage in the amount of \$10,000,000 in the aggregate, which will include all coverages required by (3), (4), and (6).

UNIVERSITY INSURANCE – PARKING – UPON COMPLETION

The University/Facilities Manager shall maintain or cause to be maintained, at its sole cost and expense (i) all legally required insurance coverage relating to its employees, including, but not limited to, Workers Compensation and Employers Liability; (ii) "All Risk" property insurance on the Facility Manager's personal property including but not limited to fixtures, furnishings, equipment, furniture, inventory and stock; (iii) commercial general liability with a per occurrence limit of \$1,000,000 and \$2,000,000 general aggregate; and (iv) business auto liability with a per accident limit of \$1,000,000 covering all owned, non-owned and hired vehicles used in connection with the Services. Pursuant to the O&M Agreement, the University is to maintain "All Risk" property insurance, Business interruption insurance, Auto Liability Insurance, Workers Compensation; Employer's Liability, Commercial General Liability in the amounts set forth in the O&M Agreement.

EXHIBIT I

DEFINITIONS

1. **Additional Student Housing** has the meaning set forth in Section 5(d).
2. **Agreement** has the meaning set forth in the introductory paragraph.
3. **Alternate Housing** has the meaning set forth in Section 4(j)(i).
4. **Alternate Services** has the meaning set forth in Section 4(j).
5. **Annual Budgets** and **Annual Budget** have the meanings set forth in Section 7(a).
6. **Annual Period** has the meaning set forth in the Indenture.
7. **Architect**. With respect to each Facility, Architect means the architect who is party to the Design Services Agreement for such Facility, as shown on Exhibit B. The term “**Architects**” means one or more of the Architects collectively as the context requires.
8. **Authority** has the meaning set forth in the first recital.
9. **Bond Documents** has the meaning set forth in the Indenture.
10. **Bonds** has the meaning set forth in the seventh recital.
11. **Business Day** has the meaning set forth in the Indenture.
12. **Campus** has the meaning set forth in Section 3(a).
13. **Change Orders** has the meaning set forth in Section 4(c).
14. **Charges** has the meaning set forth in Section 8B(a)(i).
15. **Code** has the meaning set forth in Section 3(b).
16. **Commencement Date** has the meaning set forth in the introductory paragraph.
17. **Construction Documents** has the meaning set forth in the fifth recital.
18. **Construction Services Agreement**. With respect to each Facility, Construction Services Agreement means the Construction Services Agreement for such Facility, as shown on Exhibit B.
19. **Design Services Agreement**. With respect to each Facility, Design Services Agreement means the Design Services Agreement for such Facility, as shown on Exhibit B.
20. **Development Budget** has the meaning set forth in Section 4(a)(iii).
21. **Development Costs** has the meaning set forth in Section 4(f).
22. **Development Manager** has the meaning set forth in Section 4.
23. **Development Services** has the meaning set forth in Section 4.
24. **Draw Requests** has the meaning set forth in Section 4(i)(i).
25. **Eligible Residents** has the meaning set forth in Section 3(b).
26. **Enabling Act** has the meaning set forth in the first recital.
27. **Environmental Laws** has the meaning set forth in the Lease Agreement.
28. **Event of Default** has the meaning set forth in Section 19.
29. **Exercise Notice** has the meaning set forth in Section 16(a).
30. **Exculpated Parties** has the meaning set forth in Section 12.
31. **Expenses** has the meaning set forth in the Indenture.

32. **FF&E** has the meaning set forth in Section 4(a)(v).
33. **Facilities** and **Facility** mean, collectively or individually, the Student Housing Facilities and the Parking Facility.
34. **Facility Development Budget** has the meaning set forth in Section 4(a)(iv).
35. **Final Completion.** The Project will be deemed Finally Complete when all Facilities are Finally Complete in accordance with this paragraph. Each Facility will be deemed finally complete (“Finally Complete” or “Final Completion”) when:
 - a. the Facility is fully completed as required by the Plans and Specifications for such Facility (including all punch list items) and all required final certificates of occupancy for the Facility are issued; and
 - b. the Facility is fully paid for and free from any liens other than the Bond Documents; and
 - c. all governmental authorities with jurisdiction have given their final approval of the Facility; and
 - d. all final releases, warranties, manuals, contractor marked as-built drawings, CAD drawings, equipment cuts, operating guides, and any other documents necessary for full operation of the Project are delivered to the Owner.
36. **Fixed Charges Coverage Ratio** has the meaning set forth in the Indenture.
37. **Freshman Housing Facility** has the meaning set forth in the second recital.
38. **Foundation** has the meaning set forth in the introductory paragraph.
39. **General Contractor.** With respect to each Facility, General Contractor means the general contractor who is party to the Construction Services Agreement for such Facility, as shown on Exhibit B. The term “**General Contractors**” means one or more of the General Contractors collectively as the context requires.
40. **Greek Housing Facility** has the meaning set forth in the second recital.
41. **Ground Lease** has the meaning set forth in the first recital.
42. **Guaranteed Date** has the meaning set forth in Section 4(a)(i).
43. **Hazardous Materials** has the meaning set forth in the Lease Agreement.
44. **Indenture** has the meaning set forth in the seventh recital.
45. **Lease Agreement** has the meaning set forth in the ninth recital.
46. **Leasehold Mortgage** has the meaning set forth in the ninth recital.
47. **Lien** has the meaning set forth in the Indenture.
48. **Manager** has the meaning set forth in Section 3(d).
49. **Management Agreement** has the meaning set forth in the tenth recital.
50. **Net Available Cash Flow** has the meaning set forth in the [Indenture].
51. **NFRA Payments** has the meaning set forth in Section 7(f).
52. **O&M Agreement** has the meaning set forth in the sixth recital.
53. **Offsite Improvements** has the meaning set forth in Section 4(a)(vii).
54. **Operating Expenses** has the meaning set forth in Section 8B(g).
55. **Operating Right** has the meaning set forth in Section 8A.
56. **Owner** has the meaning set forth in the introductory paragraph.

57. **Owner Continuing Disclosure Agreement** means the Continuing Disclosure Agreement executed by Owner and Trustee in connection with the issuance of the Bonds and dated as of June 1, 2024.
58. **Owner Indemnitee** has the meaning set forth in Section 11(b).
59. **Parking Facility** has the meaning set forth in the second recital.
60. **Parking Improvements** has the meaning set forth in the second recital.
61. **Parking Property** has the meaning set forth in Section 8A.
62. **Permitted Encumbrances** has the meaning set forth in the Indenture.
63. **Plans and Specifications** has the meaning set forth in Section 2.
64. **Pre-Development Reimbursables** has the meaning set forth in Section 4(k).
65. **Pre-Development Services** has the meaning set forth in Section 4(k).
66. **Project** has the meaning set forth in the first recital.
67. **Project Documents** has the meaning set forth in Section 2.
68. **Project Resident** means a person with a legal right to occupy the Project pursuant to a Residence Hall Agreement.
69. **Project Resident Occupancy Date** has the meaning set forth in Section 4(j)(i).
70. **Project Schedule** has the meaning set forth in Section 4(a)(iii).
71. **Project Vendors** has the meaning set forth in Section 4(a)(iii).
72. **Projected Fixed Charges Coverage Ratio** has the meaning set forth in Section 7(f)(iii).
73. **Property** has the meaning set forth in the first recital.
74. **Purchase Price** has the meaning set forth in Section 16(b).
75. **Residence Hall Agreements** means the contracts entered into between Manager, as agent of Owner, and residents of the Student Housing Facilities.
76. **Revenues** has the meaning set forth in the [Indenture].
77. **Sales Tax** has the meaning set forth in Section 4(e).
78. **Shortfalls** and **Shortfall** have the meanings set forth in Section 7(e).
79. **Shortfall Periods** and **Shortfall Period** have the meanings set forth in Section 7(e).
80. **State** has the meaning set forth in the introductory paragraph.
81. **Student Housing Facilities** has the meaning set forth in the second recital.
82. **Substantial Completion.** The Project will be deemed Substantially Complete when all Facilities are Substantially Complete in accordance with this paragraph. Each Facility will be deemed substantially complete (“**Substantially Complete**” or “**Substantial Completion**”) when as certified by the University to the Owner in writing:
- a. the Facility is substantially completed as required by the Plans and Specifications for such Facility; and
 - b. the installation of all fixtures, furniture, and equipment for the Facility, including all life safety systems, is complete; and
 - c. all required temporary certificates of occupancy for the applicable portions of the Facility are issued; and
 - d. the entire Facility is capable of being occupied and used for its intended purposes; and

- e. the University has furnished Owner with a punch list of unfinished items and the estimated cost of finishing the same.
- 83. **Surplus Fund** has the meaning set forth in the Indenture.
- 84. **Surplus Periods** and **Surplus Period** have the meanings set forth in Section 7(e).
- 85. **Taxable Bonds** has the meaning set forth in the Indenture.
- 86. **Tax-Exempt Bonds** has the meaning set forth in the Indenture.
- 87. **Tax-Exempt Organization** has the meaning set forth in the Lease Agreement.
- 88. **Total Development Cost** has the meaning set forth in Section 4(a)(i).
- 89. **Trustee** has the meaning set forth in the seventh recital.
- 90. **Underlying Collateral Assignment** has the meaning set forth in Section 2.
- 91. **University** has the meaning set forth in the introductory paragraph.
- 92. **University Continuing Disclosure Agreement** means the Continuing Disclosure Agreement executed by the University in connection with the issuance of the Bonds and dated as of June 1, 2024.
- 93. **University Development Costs** has the meaning set forth in Section 4(f).
- 94. **University Indemnitee** has the meaning set forth in Section 11(a).
- 95. **Utility Services** has the meaning set forth in Section 6.

EXHIBIT J

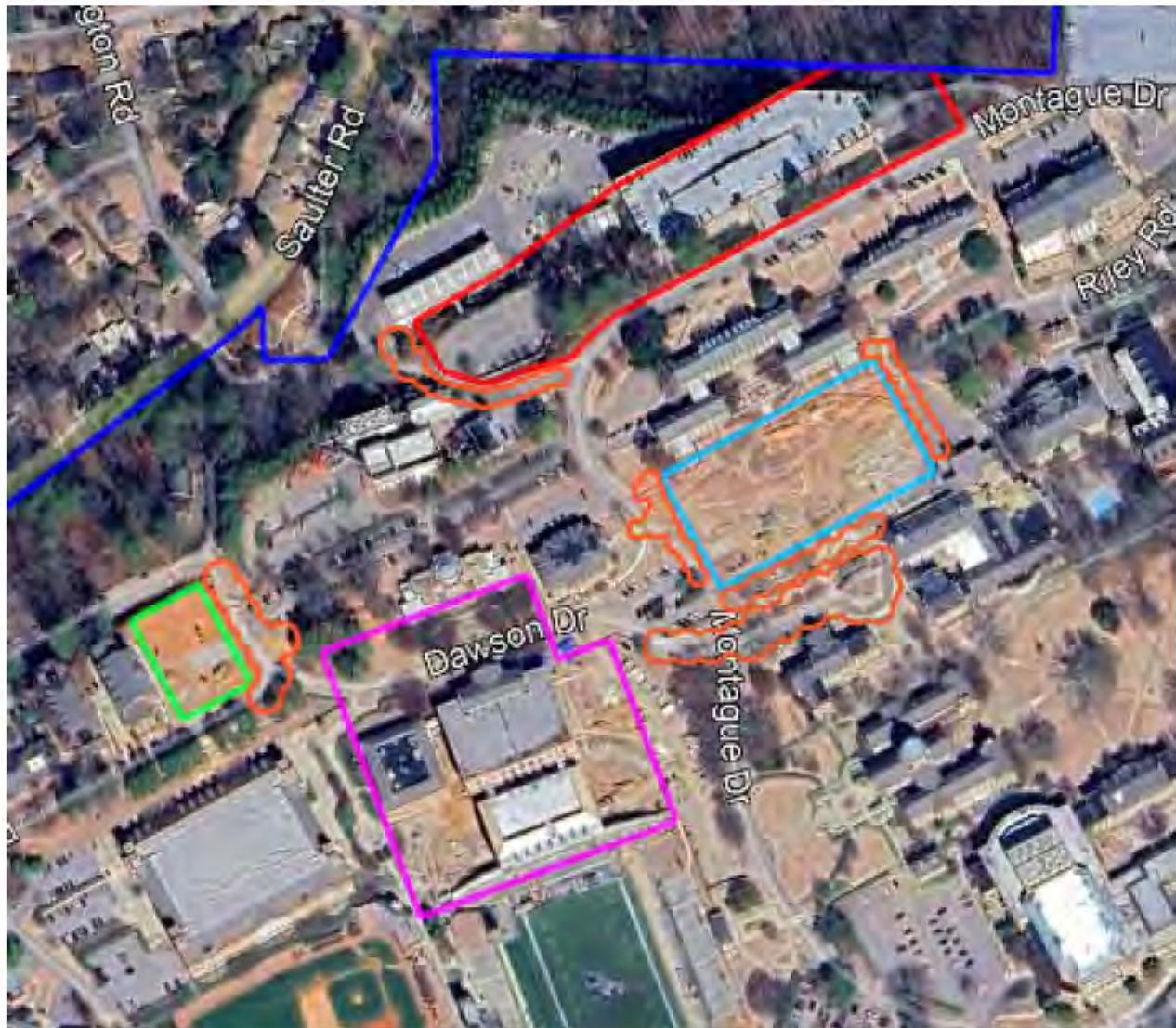
FORMS OF PAYMENT AND PERFORMANCE BONDS

[to be inserted prior to execution]

EXHIBIT K
OFFSITE IMPROVEMENTS

The Offsite Improvements include improvements to Tailbird Circle, an area adjacent to the Ralph W. Beeson University Center and the to-be-constructed freshman residence hall, the purpose of which is to enhance pedestrian and vehicular traffic, connect all freshman residences as a “commons,” and to provide landscaping for the area. Work includes sidewalks, streetscapes suitable for ADA compliant access and parking, vehicular and loading access and landscaping. Additional landscaping improvements, including additional sidewalks, walkways, retaining walls, and road improvements will be undertaken around the Greek Housing Facility and the Parking Improvements to ensure connectivity and flow to areas immediately adjacent to the improvements.

EXHIBIT L
CONSTRUCTION AREA FOR OFFSITE IMPROVEMENTS



- | |
|----------------------------------|
| Freshman Housing Facility (cyan) |
| Greek Housing Facility (green) |
| Parking Improvements (red) |
| Offsite Improvements (orange) |

EXHIBIT M

FF&E

A. Freshman Housing Facility

- Artwork
- Lobby / Game Room
- Furniture (Beds, Desks, Chairs)
- Graphics & Signage
- Security Equipment
- Miscellaneous Items

B. Greek Housing Facility

- Artwork
- Lobby / Game Room
- Furniture (Beds, Desks, Chairs)
- Graphics & Signage
- Security Equipment
- Miscellaneous Items

C. Parking Improvements

- None

THE EDUCATIONAL BUILDING AUTHORITY OF THE CITY OF HOMEWOOD (ALABAMA)
REVENUE Bonds (CHF – Horizons II, L.L.C. STUDENT HOUSING & PARKING PROJECT AT SAMFORD UNIVERSITY), TAX-EXEMPT SERIES 2024-C AND TAXABLE SERIES 2024-D



Printed by: ImageMaster, LLC
www.imagemaster.com